



I HOPE THAT YOU AND THOSE YOU CARE ABOUT HAVE FOUND

necessary ways to stay safe, and to adjust to the many challenges posed by COVID-19. We remain committed to being here for you and your family to help in those efforts. I also want to express my gratitude to all of you, the Credit Union staff, and Board of Directors for the flexibility, perseverance, and kindness all have shown to ensure that our cooperative also remains safe and strong. I have come to refer to the demeanor and actions of those associated with the Credit Union as the “UPCU way.”

Other things that have happened in the quarter reflect that same spirit. We received hundreds of entries in our recent coloring contest and based on the feedback we received from the little ones who participated, it was a great success. Seeing the entries was a true joy for us bigger ones here at the Credit Union.

On June 30th, the official ribbon cutting ceremony took place for the Garden Collective in Price, Utah. The community garden has been a multi-year collaborative effort between the City of Price, USU Eastern, Rocky Mountain Power, Castleview Hospital, UPCU, and many others in the Carbon County area. The one-acre garden, located next to our office in Price, will provide food and service opportunities in the community, and beautify the City of Price.

The Board of Directors determined that earnings are strong enough to continue to offer the best interest rates that can be found. The 1.00% APY dividend rate for regular shares that was declared in June is more than 10 times the average rate paid by institutions we track. Our 12-month certificate continues to be about twice the rate offered elsewhere.

A special auto loan rate is being offered in celebration of the Credit Union's 85th anniversary. If you're in the market for a new vehicle and haven't taken advantage of the 1.85% APR rate, hurry—it expires soon!

I understand that 2020 will continue to present unforeseen challenges. But I want you to feel confident that we will do all that is necessary to protect you, and your ownership in the Credit Union. After all, it's the good ole UPCU way.

RYAN POLLICK
President & CEO

Inside Summer 2020

Coloring Contest
Community Garden
Electric Charge



The Garden Collective, in the heart of Price, features garden boxes, grape vines, a fruiting orchard, shade sails, and benches. The project offers a much needed place for the people in the area to reflect and reinforces the Credit Union's commitment to the community.



Some of the completed Coloring Contest entries with Credit Union member Deegan, age 5, who holds a coloring sheet. Each participant received a \$2 deposit into their account. Thank you to the hundreds of artists who made the contest a success.



Member Michelle Spencer charges her electric vehicle at the Credit Union in Murray.

Electric Vehicles Take Charge

This quarter, an electric vehicle charging station was installed at the Main Office. The charger, in collaboration with Leaders for Clean Air and Rocky Mountain Power, supports efforts to have a positive impact on pollution levels and a cleaner air quality.

June 19 marked the Credit Union's first electric vehicle charge. Member Michelle Spencer purchased a Tesla Model 3 last year because of her love for innovation. She is excited about the scientific and technological advancements of electric vehicles and recognizes their future potential. Michelle loves how quiet her Tesla is because there is no engine, and says, "It means I don't have to turn up the music so loud in order to hear it while driving!" A powered vehicle also means no gas or engine oil that needs to be checked, refilled, and replaced regularly.

Michelle installed a charging station at her home and plugs in after work or shopping trips. The Credit Union's electric vehicle station is free for members to use. If you are in the area, stop by to charge your car today!

Text Notifications

It's easy to receive text message alerts for transactions or account balances. Simply log in to your account, select the settings icon, click on "Notifications," and "Add Alert." Alerts can also be sent to email addresses or multiple phone numbers.

Credit Check

Consumers can now access Equifax, Experian, and TransUnion credit reports weekly instead of annually in efforts to quickly spot fraudulent activity. The credit checks are free of charge through April 2021. Visit www.consumer.ftc.gov for more information.

Loan Celebration

Auto Loans **1.85% APR**

Personal Loans **5.85% APR**

Now through July 27



Dividends Declared

The Board of Directors has declared a dividend on earnings for the second quarter of 2020 payable July 1, 2020.

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

1.00% APY Regular Share Savings & Individual Retirement Accounts

.50% APY Business Share Savings Accounts

*APY = Annual Percentage Yield
Minimum deposit of \$5.00
Fees may reduce earnings*

CD Rate

The 12-Month Certificate of Deposit Interest Rate is **1.10% APY**

*Minimum deposit of \$500.00,
rates are as of 7/1/2020 and are subject to change.
A penalty may be imposed for early withdrawal.*

Offices Closed

July 3

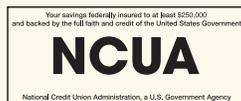
In observance of Independence Day

July 24

Pioneer Day (Utah Offices Only)

September 7

Labor Day



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
- Movie Discount Tickets
- 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
FX 801-716-4670

Salt Lake (North)

1407 W North Temple, 120 C
SLC, UT 84116
PH 801-708-8990
FX 801-708-8929

Ogden

1438 W 2550 S
Ogden, UT 84401
PH 801-781-6046
FX 801-629-4334

Price

370 E 100 N
Price, UT 84501
PH 435-637-6159
FX 435-637-6259

Huntington

125 S Main Street
Huntington, UT 84528
PH 435-687-9535
FX 435-687-2621

Balance Rock (Helper)

100 W 200 N
Helper, UT 84526
PH 435-472-5531
FX 435-472-5091

Vernal

646 E Main Street
Vernal, UT 84078
PH 435-789-5449
FX 435-613-2360

Moon Lake (Roosevelt)

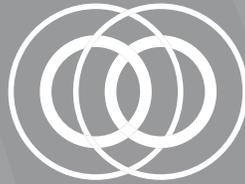
800 W Highway 40
Roosevelt, UT 84066
PH 435-722-0149
FX 435-613-2361

PowerTrust Casper

4030 Plaza Drive, #5
Casper, WY 82604
PH 307-237-6764
FX 307-237-5159

PowerTrust Rock Springs

601 College Drive
Rock Springs, WY 82901
PH 307-362-1810
FX 307-362-1289



UTAHPOWER
Credit Union

2019 Annual Report

Chairman's Report



A big New Year's greeting to each of our Utah Power Credit Union members. I want to start out by expressing the heartfelt appreciation of UPCU for your continued support during this last year. You continue to make timely payments on your loans and utilize the services provided by UPCU in ways that benefit you as members, and sustains the Credit Union as a viable entity. Our goal is to continue to provide you with the financial services you both deserve and require. You need to know that your Credit Union is financially secure and well-managed

by the dedicated employees that serve you on a daily basis. They are prepared to provide you support in all facets of your financial needs and are dedicated to serving you.

Managed growth continues to be a focus for the Board and for the management team. In 2019, the asset level of UPCU grew to just over \$726 million, an increase of 8%, and our membership grew from 26,366 to 27,118, an increase of 2.9%. Both of these ratios are within budgeted parameters and don't require UPCU to expend funds for brick and mortar, allowing us to continue to pay a higher dividend and charge lower interest rates than our competition. Our delinquency rates remain very low, compared to our state and national peers, evidencing the quality and the loyalty of our membership. We are always open

to increasing our membership numbers and encourage our existing members to share our story with immediate and extended family members.

Security will always top the list of our priorities. We recognize the responsibility UPCU has to be well-managed and financially secure. All decisions made are weighed against their impact on the financial viability of the CU and the affect of the security of our members' funds held at the CU. We want to hear from you regarding any issues or irregularities you may notice as you review your statements and the entries in your checking and credit card accounts.

Thank you to those who are able to attend our Annual Meeting, held each February, and we encourage each member to schedule now to attend our 2021 Annual Meeting. Your participation and feedback are important to us, and it is always rewarding to see so many of our members in attendance.

I feel it is appropriate to mention the passing of Brent Parkin, one of the members of our Board of Directors. Brent's life was taken last June while kayaking on the Jordan River, the day after he was recognized at our Board Meeting for 25 years of service as a volunteer at Utah Power Credit Union. He was always focused on the best interest of the CU and its members. Brent's dedicated service will be missed, and we extend our sympathies to Brent's wife, Melissa, and the rest of his family.

Here's to the continued success of UPCU, and in turn, to the continued success of each of our members. If we are to be as successful as possible, we need all of you and look forward to new opportunities to serve you in the future. Have a great 2020!

Russ Johnson
Chairman

Membership Means Financial Power

President's Report



2019 was another successful year (in a series of 84!) for Utah Power Credit Union. Assets ended at \$726,236,730, a controlled and stable 7.69% increase from 2018. Deposits increased \$36,155,837, or 6.15%. We funded \$195,305,151 in new loans, another record-breaking amount, and total loans ended at \$364,168,870, an increase of 8.37% over 2018. Net worth ended at 13.53%, loan delinquency at .21%, and operating expense was 1.42%, all of which are exceptional for our industry.

Cost of funds (the composite interest rate paid on all deposits), at 1.19%, continued to be much higher than the peer average of .67%. The average yield on loans also remained low, 3.88%, compared to 4.81% for peers.

In addition to higher rates on deposits and lower rates on loans, \$665,580 (cash!) was given back to VISA cardholders with our new Awards program. If you don't have a UPCU VISA, I encourage you to take advantage of its benefits.

I know many of you have come to expect these industry-leading financial results. We expect them too, and in 2019, the Board of Directors adopted a formal Strategic Plan that outlines specific philosophical, financial, and operating objectives that management and staff will actively

use to ensure UPCU's continued success. I hope that, based on your relationship with the Credit Union, you also expect that the focus and the very core of the Strategic Plan is you—us—the member-owners of this cooperative.

Financial objectives in the Strategic Plan revolve around providing the best value, not earning the most profit. And, the objective is to manage necessary growth so that your ownership is not diluted, which is very different from plans at other institutions that seek to grow, just to...grow. In addition to financial objectives, the Plan outlines our commitment to strengthening our relationship with you, the power company, and the other affiliated employers that are the reason for the Credit Union's existence. So, you should not expect to see UPCU aiming to become the biggest Credit Union or the flashiest. We'll just be here, continuing our hard work for you, your family, and the communities where you live, work, and play.

If you didn't catch the hint in the opening paragraph, 2020 marks the Credit Union's 85th anniversary. This is a milestone that cannot go uncelebrated, and in the coming months you'll hear of ways you can participate in various commemorative festivities.

Thank you for your membership, ownership, and your friendship.

Ryan Pollick
President & CEO

Report of the Supervisory Committee



The Supervisory Committee consists of member-volunteers who are appointed each year by the Board of Directors. Our primary purpose is to ensure that the Bylaws and regulations governing the activities of the Credit Union are followed and administered fairly. We accomplish this by reviewing policies and procedures, and by directing and working with internal audit to provide review of accounting functions and internal data systems.

Our regular meetings include monitoring of the established multi-year audit plan and reviews of examination reports, member complaints, and other Committee member assignments.

In 2019, we engaged the services of Eide Bailly LLP to conduct the required annual opinion audit of the Credit Union's financial statements. The Utah Department of Financial Institutions conducted a regulatory exam in 2019. We also reviewed the results of independent

tests and audits completed throughout the year, including Bank Secrecy Act compliance and the Credit Union's information technology internal controls and operations.

We, the Supervisory Committee, report that through the above-mentioned efforts, audits, and testing, our opinion is that the Bylaws and regulations that govern the Credit Union are being followed.

As members of the Credit Union, we all have a strong desire to ensure its continued strength and success. As Supervisory Committee members, we will continue to take our assignments very seriously. If you have any concerns with Credit Union operations, we are available and ready to work with you until any issue is resolved.

Supervisory Committee

Lloyd Ukena - Chairman

Dave Nelsen

Jim Bean

Jeanine Thomson

Cindy Nagasawa-Cruz

Minutes of the Annual Meeting | February 19, 2019

The Utah Power Credit Union Annual Meeting of members was held at the Mountain America Exposition Center in Sandy, Utah on Tuesday, February 19, 2019 at 6:00 PM. There were 291 voting members of the Credit Union and a total of 473 in attendance. Chairman of the Board of Directors, Russ Johnson, welcomed members thanked them for their support. He welcomed Gary Hooegeven, President & CEO of Rocky Mountain Power, and Lynn Peterson, President of the retiree association. Minutes of the Annual Meeting held February 20, 2018 were approved.

Chairman Johnson introduced the Board of Directors, the Alternate Directors, and the Supervisory Committee who were present at the meeting.

Susan Simkins, Nominating Committee Chairperson, explained the application process for members interested in running for positions on the Board of Directors. 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 Claudia Conder, James Favero, Esther Giezendanner, Steve Hastings, Bruce Larsen, Josh Migliori, and Rich Walje. Ms. Simkins noted that Mr. Walje was excused from the meeting. After comments were heard from each nominee, members were asked to vote for three nominees. Ballots were gathered from those registered to vote at the election. Online and absentee ballots were collected prior to the meeting.

Mr. Johnson shared that the Credit Union continued to be strong and healthy. Assets grew to \$675 million, a manageable 5% growth. Utah Power Credit Union was the largest state-chartered credit union in Utah and continued to offer high returns and low loan rates. He gave credit to quality borrowers and the superior collections team for the 0.13% delinquency ratio, which is the lowest in Credit Union history. He said the Board was proud of the dedicated management, staff, and volunteers of the Credit Union, who do more with less.

President & CEO, Ryan Pollick, expressed his appreciation for the overwhelming support exhibited by attendance at the Annual Meeting.

Mr. Pollick said that the Credit Union is a true financial cooperative and shared statistical information which he said illustrated that member-owners of UPCU are fiscally responsible and use the Credit Union for their financial needs.

The average savings balance for peers is \$9,682, UPCU is \$21,539. The average loan balance for peers is \$8,283, UPCU is \$12,293. The average delinquency

for peers is 0.53%, UPCU is 0.13%, and the average loan charge offs for peers is 0.37%, and UPCU is 0.06%. He then highlighted Board action that illustrated cooperative ideals. The cost of funds for peers is 0.60%, UPCU is 1.05%. The average loan rate of peers is 4.72%, UPCU is 3.87%. The Board also voted to return \$2,393,860 to member-owners in 2018 in addition to dividends and interest as a one-time giveback. He said the staff of the Credit Union has over 556 years of combined service and the average number of employees for peers is 169, where UPCU is 58. Assets per employee for peers is \$3.5 million, UPCU is \$11.5 million. Mr. Pollick then invited the Credit Union staff to the front of the room to be recognized for their hard work and dedication.

Mr. Pollick reviewed other financial results for 2018. Deposits increased \$33.5 million, net worth increased \$4.2 million, and there was a \$3.3 million change in market value for investments. Total income increased \$2,750,150 and total expenses were up \$722,416. Dividends and interest of \$7,020,663 was paid during the year. The net worth ratio at the end of 2018 was 13.54%; peers averaged 11.56%.

Mr. Pollick reported that the Credit Union was included in the Top 200 Healthiest Credit Union in the United States, ranked #7 out of 5,573, by DepositAccounts.com. Baur Financial gave the Credit Union a 5-Star Rating and included the Credit Union as One of The Strongest Financial Institutions in the Country. USACreditunions.com recognized the Credit Union for the Lowest Auto Loan Rate in Utah.

Mr. Pollick reported that the Board of Directors modified the Credit Union's mission statement – "Create Financial Power with Our Members by Providing Excellent Value and Lifelong Relationships." He asked members to spread the word to family about membership in the Credit Union.

Susan Simkins announced that nominees Esther Giezendanner, Steve Hastings, and Bruce Larsen were elected to the Board of Directors to fill the three expiring terms. Board members and senior management answered questions raised by members present at the meeting.

Prize drawings were held, and cash envelopes were given to all present at the meeting. On motion, duly seconded and unanimously voted, the meeting was adjourned at 7:20 PM.

Crystal Dorrell, Acting Secretary

Year-End Balance Sheet

ASSETS	2018	2019
Cash & Cash Equivalents	14,673,165	8,324,189
Investments - Net	310,171,764	336,145,198
Loans - Net	332,637,309	364,168,870
Buildings & Land - Net	6,778,796	6,567,964
Furniture & Equipment - Net	753,236	594,357
NCUSIF Placement	5,103,681	5,299,513
Accrued Loan Interest Receivable	580,898	645,812
Accrued Investment Interest Receivable	2,125,912	2,415,871
Accounts Receivable & Prepayments	443,360	325,708
Shared Branching & PowerTrust CUSO	610,132	610,132
Other	1,126,792	1,139,117
Total Assets	675,005,045	726,236,730
LIABILITIES & EQUITY	2018	2019
Deposits	587,718,520	623,874,357
Borrowed Funds	-	-
Dividends & Interest Payable	1,531,426	1,479,179
Accounts Payable	190,904	155,962
Accrued Expenses	536,160	521,823
Other Liabilities	1,149,113	1,563,125
Retained Earnings	71,169,706	76,611,532
Regular Reserves	20,253,202	21,629,300
Unrealized Gains/(Losses)	(7,543,986)	401,451
Total Liabilities & Equity	675,005,045	726,236,730

Key Financial Ratios

Loans/Assets	50.14%
Capital/Assets (Net)	13.53%
Income/Assets	3.61%
Expense/Assets	1.42%
Loan Delinquency	0.21%

Year-End Income Statement

INCOME	2018	2019
Interest Income – Loans	12,341,600	14,202,722
Interest Income – Investments	6,626,095	7,755,110
Fees	918,227	952,389
Other Income	2,710,979	2,384,326
Total Income	22,596,902	25,294,546
EXPENSE		
Salaries, Benefits	4,658,917	5,062,386
Travel, Meeting & Training	122,487	137,218
Office Occupancy	865,027	938,009
Office Operations	488,481	504,172
Data Processing	392,308	375,319
Shared Branching & PowerTrust CUSO	446,902	488,086
Marketing Promotions	60,160	61,632
Loan Servicing	319,621	339,733
Debit/Credit Card	1,213,146	1,601,416
Provision for Loan Loss	85,000	180,000
Regulatory, Audit & Professional Services	171,363	199,856
Other Operating Expense	168,411	207,315
Total Expense	8,991,824	10,095,142
Gains/(Losses)	(17)	(139,461)
*Dividend/Interest Expense	9,414,523	8,444,309
 NET INCOME	 4,190,539	 6,615,635

Statistical Information

Number of Members	27,118
Number of Loans	16,925
New Loans Disbursed	195,305,151
Average Rate on Loans	4.11%
Average Rate on Investments	2.42%

*2018 Includes one-time member giveback of \$2,393,860

Credit Union Volunteers & Staff

BOARD OF DIRECTORS

Russell Johnson, Chairman
Stephen Hastings, Vice Chairman
Esther Giezendanner, Secretary
Blake Dowding
Larry Ellertson
Bruce Larsen
Jason Moffat
Susan Simkins
Chris Spencer
Joe Juliano, Alternate

SUPERVISORY COOMITTEE

Lloyd Ukena, Chairman
Jim Bean
Cindy Nagasawa-Cruz
Dave Nelsen
Jeanine Thomson

MANAGEMENT

Ryan Pollick
Chris Brems
Crystal Dorrell
Danette Fox
Chris Koch
Russell Payne

MAIN OFFICE

Alisha Abramovitz | Service & Relationships
Becky Baggett | HR
Jared Bryner | Loans
Aaron Cleverley | Technology
Melanie Copelan | Mortgages
Henry Cummings | Service & Relationships
Jonni Edivk | Service & Relationships
Carolyn Eiden | Financial Support
CJ Frampton | Technology

Michael Gerber | Service & Relationships
Kyle Hastings | Internal Auditor
Maureen Hatch | Loans
Gale Hickman | Loans
Scott Holbrook | Accounting
Michelle Lester | Mortgages
Brenda Martinez | Service & Relationships
Sue Mecham | Accounting
Melanie Morrison | Mortgages
Jackson Mostoller | Service & Relationships
Katlin Nielson | Loans
Tracy Nieves | Accounting
Kathy Quinn | Financial Support
Bonnie Taylor | Financial Support
Rachel Teran | Marketing
Stacy Witzel | Service & Relationships
Zachary Wilhelmsen | Technology

NORTH TEMPLE

Kathy Giatras | Manager
Emily Hulsey | Service & Relationships
Gwen Lee | Loans
Gina Petroni | Service & Relationships
Rena Woodard | Mortgages

OGDEN OFFICE

Robyn Skeen | Manager
Amy Gonzales | Service & Relationships

HUNTINGTON OFFICE

Faith Grindley | Service & Relationships
Jennifer Hollar | Service & Relationships
Shantelle Kay | Service & Relationships
Miranda Lofley | Loans
Noula Lowe | Mortgages
Collene Lyons | Loans
Becca Sitterud | Service & Relationships

PRICE OFFICE

Ann Milano | Manager
Brandi D'Ambrosio | Service & Relationships
Colleen Davis | Loans
Mindy Fausett | Mortgages
Amy Gluesing | Service & Relationships
Denise Hansen | Service & Relationships
Sarah Leautaud | Service & Relationships
Brandy Martinez | Service & Relationships
Sherrie Vlamakis | Service & Relationships

BALANCE ROCK OFFICE

Barbara Metelko | Manager
Andrea Hofer | Service & Relationships
Amanda Larsen | Service & Relationships
Caleb Nelson | Service & Relationships

MOON LAKE (ROOSEVELT) OFFICE

Andrew Ercanbrack | Manager

VERNAL OFFICE

Ashlin Bowden | Service & Relationships
Nicole Murray | Service & Relationships

POWERTRUST CUSO | ROCK SPRINGS

Pam Schumacher | Manager
Natasha Jensen | Service & Relationships
Kristina Kelsey | Loans
Jade Pacheco | Service & Relationships
Debra Tomich | Service & Relationships
Meghan Torrontegui | Assistant Manager

POWERTRUST CUSO | CASPER

Crystal Bratvold | Manager
Shannon Garriott | Service & Relationships
Mikayla Hedstrom | Service & Relationships
DeNeile Miller | Service & Relationships