



THE SPARK



WHILE THE 2022 ANNUAL MEETING OF MEMBERS WAS INTENDED

to be a hybrid (in-person and virtual) event, at the time of its planning, the Omicron variant of COVID 19 was ramping up to a degree that we decided to host it in a virtual-only format. The meeting took place on March 8, 2022, and we are happy with the way it turned out—mostly the attendance—which was another record-breaking number. If you weren't able to join us, you can watch a recording at utahpowercu.org/annualmeeting. The information shared (and the awesome selfies submitted by attendees!) reinforces the philosophies of our cooperative, the special relationships we share, and the uniqueness of Utah Power Credit Union.

Results of the Board of Directors election were announced at the Annual Meeting. Congratulations go out to Esther Giezendanner, Steve Hastings, Wm. Bruce Larsen, and Jason Beane who will all do an exceptional job representing our interests as member-owners of UPCU. Thank you to the other six candidates who ran for election—all of whom are qualified and capable individuals.

2021 financial results were also reported at the meeting. UPCU remains in an excellent financial position, and you can check out our year-end financial statements on our web site.

Perhaps the most exciting part of the meeting was Chairman Johnson's announcement of the Board's unanimous vote to distribute a one-time giveback to members based on their usage of the Credit Union. It has been a challenge as an organization over the last two years to maintain the earnings necessary to return the most value to you, the member-owners. However, 2021 earnings were sufficient to both keep reserves strong, and to make this one-time giveback. In my opinion, the decision to make the giveback illustrates the devotion of our Board of Directors, and their commitment to the continued operation of Utah Power Credit Union as a true financial cooperative. And, the financial ability to do so reflects the hard work of our staff, and your loyal patronage of UPCU.

Many thanks to everyone associated with this fine organization.

Ryan Pollick
President & CEO

Inside Spring 2022

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By the Numbers

In 2021, UPCU helped more members than ever before.
Here are a few noteworthy details:

\$257.1 million
in loans funded



96,222
incoming calls answered
with an average answer time of



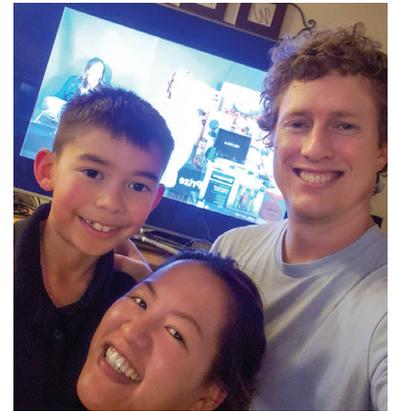
annualized
loan approval
ratio

9,386,154
transactions processed



ending at
\$835.5 million





During the Annual Meeting, members texted selfies for a chance to win a Kodak Printomatic camera. The Cunningham family won the drawing, and since over 289 selfies were sent in, the Glad and Wayment families also won a camera.

Investment Strategies

Many investors watched in disbelief as markets plummeted as a result of the global pandemic, leaving many asking, "Now what?" There are many lessons to be learned from a market downturn about how to potentially mitigate losses and help you plan for the future, no matter how uncertain that future may seem. Here are some practical investment tips to consider.

DIVERSIFY

Placing too many eggs in one basket may risk losing them all if something goes wrong. The same holds true when investing in the market. It's important to place funds in a variety of investment types so that when one investment goes down, others may go up. Diversification through domestic and international stocks and bonds, annuities, savings and other investments may help stabilize your portfolio. It is important to note that while diversification helps spread risk during down markets, it does not ensure a profit or guarantee against a loss.

LOOK FOR SOLID PERFORMERS

When markets plunge, it's tempting to give into fear and cut your losses. However, now may be the right time to analyze and strengthen your investment portfolio. Research high-quality companies that have stood the test of time, have strong balance sheets and low debt. Equities, such as consumer staples, may be more likely to weather the storm now and into the future. But remember, don't pile all your assets into one sector.

KEEP SAVINGS ON HAND

Regularly contributing to an emergency fund is a good habit to get into no matter how the market performs. Ideally, an emergency fund

can help cover expenses for a few months. While an FDIC insured account or money market will protect against loss, there's also little opportunity for growth. However, knowing that a portion of your funds is accessible at a moment's notice certainly has its appeal.

STAY INVESTED DURING DOWN MARKETS

Many reputable funds have dropped in value, allowing investors to take advantage of "sale" prices that weren't available until recently. Despite recent turbulence, staying in the market may reap long-term benefits once the economy recovers. Even if you don't have a lot to invest right now, consider dollar-cost averaging, a strategy that involves buying investment shares incrementally over time. Dollar-cost averaging does not assure a profit and does not protect against loss in declining markets. Since dollar-cost averaging involves continued investing regardless of fluctuating securities prices, you should consider the ability to continue purchases over an extended period of time.

REMEMBER THE PAST WHILE LOOKING TO THE FUTURE

History is a wonderful teacher. In October 2008, markets plunged about 18% within a single week. By the end of 2009, they regained those losses and experienced gains each of the following five years, reaching new all-time highs.¹ No one can predict the future or know how long a recovery may take, but recalling market performance in the months and years following a previous recession may ease fears. It's important to focus on your long-term investing horizon and, if you are able, stay invested in risk-averse strategies to manage your exposure.

Jon Nielsen is a Financial Advisor with CUNA Brokerage Services, Inc* serving Utah Power Credit Union members. To learn more about investment strategies and additional services Jon offers, call 801-708-8923.

Source: 1 Macrotrends, Dow Jones - DJIA - 100 Year Historical Chart (<https://www.macrotrends.net/1319/dow-jones-100-year-historical-chart>), April 21, 2020

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Dividends Declared

The Board of Directors declared a dividend on earnings for the first quarter of 2022 payable April 1, 2022.

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

0.277% APY Business Share Savings Accounts

APY = Annual Percentage Yield

CD Rate

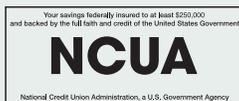
The 12-Month Certificate of Deposit Interest Rate is **0.65% APY**

The 24-Month Certificate of Deposit Interest Rate is **0.70% APY**

Offices Closed

May 30

In observance of Memorial 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

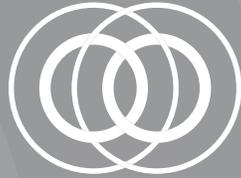
4030 Plaza Drive, #5
Casper, WY 82604
PH 307-237-6764
FX 307-237-5159

PowerTrust Rock Springs

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

Text

801-708-8900



UTAH POWER
Credit Union

2021 Annual Report

Chairman's Report



Greetings,

What a ride 2021 has been for Utah Power Credit Union and its members. It has been very difficult these last two years to imagine how things were going to turn out. Many of our members, and their families, have been adversely impacted by COVID-19 and the collateral damage it has caused. UPCU has endeavored to support and assist our members when they have been confronted with financial challenges resulting from the pandemic. We hope

that you are all doing well and are able to work through your various situations.

At the beginning of the pandemic, UPCU formed a COVID-19 Pandemic Planning Team to ensure that the financial lives of our members, and the financial stability of the Credit Union, was considered in every activity and action that was undertaken at UPCU. The management team and the staff have not disappointed us as they have continued, to this day, to actively look at ways that they can improve business activities and safeguard our financial well-being. Frequent decisions and changes have been necessary regarding office closures, masking requirements, and remote working assignments in order to protect the employees and you as members.

Though challenging in many ways, 2021 proved to be a very good year for Utah Power Credit Union. Growth in assets ended 2021 at \$952 million, a 10% increase from \$865 million in 2020. Part of that growth came from an increase in the number of members, but the larger portion of it comes

from increased saving on the part of our members. Many other key financial ratios are reviewed regularly at our monthly Board Meetings and by our audit partners. Together, we monitor changes and respond with minor adjustments, when necessary. Our reserves are strong and continue to allow us to weather any financial challenges that come our way.

We continue to experience a very low delinquency rate, ending the year at 0.11%, only 14 out of our total portfolio of 16,293 loans. The delinquency ratio speaks volumes regarding the quality of our membership and the great work being performed by the lending staff who make quality loans, and by the collection staff who works tirelessly to assist members to identify how payments can be adjusted to keep them from going delinquent.

UPCU has extended great effort during 2021 to make sure that the financial concerns of our members have been one of our top priorities. As difficult times have surfaced during the pandemic, we hope you have found our staff to be supportive of your needs, and that your concerns have been addressed to your satisfaction. The security of your finances, credit and debit cards, and personal information has been, and always will be, one of the focal points of UPCU.

Again this year I want to extend the thanks of your Board of Directors and Volunteers to all staff and members of Utah Power Credit Union. We continue to be in awe of our staff and members and feel strongly that the success of the Credit Union is directly proportionate to the quality of our dedicated staff and membership.

Russ Johnson
Chairman

Membership Means Financial Power

President's Report



We are over two years into the COVID-19 pandemic and many uncertainties remain. If you or your family have experienced struggles, due to the pandemic or any other reason, we are here to help. Because there are two things that remain constant at Utah Power Credit Union:

1. Our financial strength
2. Our commitment to provide the member-owners with the highest value of any financial institution that can be found

Although 2021 continued to usher in additional and new challenges to the oversight and management of the Credit Union, all the Board-adopted objectives contained within the Strategic Plan were exceeded. For more information, you can view a recording of the Annual Meeting of Members at www.utahpowercu.org/annualmeeting. Best of all, we helped more of you than ever before. Here are a few noteworthy details:

- \$257.1 million in loans funded, a 26% increase over 2020
- 97% annualized loan approval ratio
- 12% increase in deposits, ending at \$835.5 million
- 9,386,154 transactions processed, an 11% increase over 2020
- 96,222 incoming calls answered, with an average answer time of 17 seconds

The more you do with UPCU, the more success we have, so thank you. Also, a big thanks to our devoted Board of Directors and Supervisory Committee, and to our amazing staff. There have been some difficult days throughout the pandemic, but our staff did not dwell on those hurdles. Rather, they “got back to work” to find the solutions necessary to keep our cooperative strong.

The other figures contained within this report represent consistent, predictable, and superior financial results. What may not be seen, but is hopefully felt by each of you, is our ongoing desire to build lifelong relationships with you and your family—and doing so fills us with joy.

May 2022 bring happiness and success in all your endeavors.

Ryan Pollick
President & CEO

Report of the Supervisory Committee



The Supervisory Committee consists of member volunteers who ensure that the bylaws and regulations governing the activities of the Credit Union are followed and administered fairly.

To fulfill this responsibility, we meet regularly to review internal audit services, internal controls, and risk management processes. We review the examinations by our regulators, the State of Utah, and the National Credit Union Administration.

The Supervisory Committee is also responsible for selecting and contracting an independent audit firm each year. This year, it is being done by Doeren Mayhew, a national accounting firm, and will be completed by mid-April.

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 a member-owned financial cooperative, Utah Power Credit Union is different. It's unique history and philosophy of maximum member returns and low member costs set us apart. Our employees work by, and follow, a unique Mission, Vision, and Values statement in order to carry on that tradition. We think each member recognizes just how unique and special our Credit Union is. Therefore, we ask that if you have any concerns with Credit Union operations, let us help you resolve them. We can be, and are, stronger together.

Supervisory Committee

Lloyd Ukena - Chairman

Jim Bean

Jeanine Thomson

Rohit Nair

Minutes of the Annual Meeting | April 6, 2021

The Utah Power Credit Union Annual Meeting of members was held virtually from the Credit Union main office in Murray, Utah on Tuesday April 6, 2021, at 6:00 PM.

Chairman of the Board of Directors, Russell Johnson, welcomed and thanked members for their continued support. He said the effects of the pandemic prevented an in-person meeting but reported record attendance of 1,266 members at the 2021 virtual Annual Meeting.

Chairman Johnson shared that the minutes of the previous Annual Meeting, held February 18, 2020, were available for members to review on the Credit Union website, and that there was no requirement to approve those minutes at this meeting.

Chairman Johnson said that the voting process for the Board of Directors election took place electronically and by mail-in ballot prior to the Annual Meeting, as in-person voting was not feasible under the circumstances. He thanked the 10 members who submitted their name for nomination, recognizing their qualifications and desire to participate in the Credit Union.

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

President & CEO, Ryan Pollick, expressed his appreciation for members' willingness to participate virtually, and said that while the in-person social time is missed, the virtual format allowed for many to be a part of the Annual Meeting who had not been able to attend previously. Mr. Pollick thanked members for continuing to make our cooperative work well throughout the pandemic. He also recognized Credit Union staff for their hard work and flexibility during the past year.

Mr. Pollick said that the Annual Report was available on the Credit Union website. He then gave a presentation of the financial results for 2020 that included industry peer comparisons for key financial ratios. He reported that all objectives contained in the Credit Union Strategic Plan were exceeded. Mr. Pollick shared information from various financial industry ratings firms which highlighted UPCU as a top performing credit union in 2020.

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 were: Jason Beane, Brian Burgfetched, Steven Carlston, Blake Dowding, Larry Ellertson, Phillip Hallman, Ben Henderson, Robert Lively, Cindy Nagasawa-Cruz, and Dennis Stone. Ms. Simkins reported that a record of 966 ballots were cast, a 34% increase over the previous year. Ms. Simkins announced that the following nominees were elected to fill the three expiring terms on the Board: Cindy Nagasawa-Cruz, Larry Ellertson, and Blake Dowding.

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

Chairman Johnson adjourned the meeting at 6:41.

Crystal Dorrell, Acting Secretary

Year-End Balance Sheet

| ASSETS | 2020 | 2021 |
|--|--------------------|--------------------|
| Cash & Cash Equivalents | 26,366,211 | 16,601,419 |
| Investments - Net | 468,680,660 | 544,469,411 |
| Loans - Net | 347,139,804 | 370,876,106 |
| Buildings & Land - Net | 6,695,337 | 6,489,088 |
| Furniture & Equipment - Net | 371,346 | 517,612 |
| NCUSIF Placement | 5,967,190 | 6,740,988 |
| Accrued Loan Interest Receivable | 581,366 | 561,565 |
| Accrued Investment Interest Receivable | 2,546,961 | 2,743,083 |
| Accounts Receivable & Prepayments | 348,454 | 466,837 |
| Shared Branching & PowerTrust CUSO | 610,132 | 610,132 |
| Other | 5,350,196 | 1,723,077 |
| Total Assets | 864,657,658 | 951,799,319 |
| | | |
| LIABILITIES & EQUITY | 2020 | 2021 |
| Deposits | 745,197,008 | 832,508,190 |
| Borrowed Funds | — | — |
| Dividends & Interest Payable | 949,083 | 952,111 |
| Accounts Payable | 246,444 | 245,172 |
| Accrued Expenses | 578,492 | 618,639 |
| Other Liabilities | 1,432,819 | 1,210,328 |
| Retained Earnings | 84,859,129 | 95,946,148 |
| Regular Reserves | 23,116,105 | 24,480,407 |
| Unrealized Gains/(Losses) | 8,278,578 | (4,161,675) |
| Total Liabilities & Equity | 864,657,658 | 951,799,319 |

Key Financial Ratios

| | |
|----------------------|--------|
| Loans/Assets | 38.97% |
| Capital/Assets (Net) | 12.65% |
| Income/Assets | 2.92% |
| Expense/Assets | 1.09% |
| Loan Delinquency | 0.11% |

Year-End Income Statement

| INCOME | 2020 | 2021 |
|---|----------------------|-----------------------|
| Interest Income – Loans | 14,700,864 | 13,428,615 |
| Interest Income – Investments | 8,597,054 | 8,780,366 |
| Fees | 966,664 | 1,284,779 |
| Other Income | 2,464,147 | 3,030,530 |
| Total Income | 26,728,730 | 26,524,290 |
| | | |
| EXPENSE | | |
| Salaries, Benefits | 5,168,971 | 5,314,618 |
| Travel, Meeting & Training | 30,568 | 82,493 |
| Office Occupancy | 889,119 | 802,653 |
| Office Operations | 516,741 | 563,727 |
| Data Processing | 364,501 | 381,856 |
| Shared Branching & PowerTrust CUSO | 469,451 | 399,173 |
| Marketing Promotions | 68,099 | 66,368 |
| Loan Servicing | 297,643 | 307,329 |
| Debit/Credit Card | 1,506,917 | 1,597,204 |
| Provision for Loan Loss | 300,000 | (45,000) |
| Regulatory, Audit & Professional Services | 183,911 | 205,448 |
| Other Operating Expense | 151,512 | 136,716 |
| Total Expense | 9,947,433 | 9,812,585 |
| | | |
| Gains/(Losses) | 146,516 | 164,570 |
| Dividend/Interest Expense | 7,193,412 | 4,424,954 |
| NET INCOME | 9,734,401 | 12,451,321 |

Statistical Information

| | |
|-----------------------------|-------------|
| Number of Members | 28,355 |
| Number of Loans | 16,293 |
| New Loans Disbursed | 257,093,132 |
| Average Rate on Loans | 3.79% |
| Average Rate on Investments | 1.58% |

Credit Union Volunteers & Staff

BOARD OF DIRECTORS

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

SUPERVISORY COMMITTEE

Lloyd Ukena, Chairperson
Jim Bean
Rohit Nair
Jeanine Thomson

MANAGEMENT

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

MAIN OFFICE

Alisha Abramovitz | Accounting
Becky Baggett | Human Resources
Aaron Cleverley | Technology
Jonathan Falatea | Loans
CJ Frampton | Technology
Maureen Hatch | Loans
Gale Hickman | Loans

Tyler Kay | Accounting
Merrilee Landon | Financial Support
Stacy Larsen | Fraud & Risk
Emily Miller | Mortgages
Katlin Nielson | Mortgages
Tracy Nieves | Accounting
Paul Packard | Audit & Compliance
Skylar Park | Service & Relationships
Britney Parkinson | Service & Relationships
Bonnie Taylor | Financial Support
Rachel Teran | Marketing & Communications
Larisabel Vongthongchit | Mortgages
Jonni Wallin | Fraud & Risk
Zachary Wilhelmsen | Technology
Renae Woodard | Financial Support
Michelle Youngreen | Mortgages
Emily Zamaro | Service & Relationships

NORTH TEMPLE OFFICE

Kathy Giatras | Manager
Henry Cummings | Service & Relationships
Cindy Salt | Service & Relationships

OGDEN OFFICE

Robyn Skeen | Manager
Amy Gonzales | Service & Relationships

HUNTINGTON OFFICE

Faith Grindley | Service & Relationships
Jennifer Hollar | Service & Relationships
Treaa Hurst | Service & Relationships
Shantelle Kay | Service & Relationships
Miranda Lofley | Assistant Manager
Noula Lowe | Mortgages
Collene Lyons | Loans

PRICE OFFICE

Ann Milano | Manager
Brandi D'Ambrosio | Loans
Mindy Fausett | Mortgages
Amy Gluesing | Service & Relationships
Denise Hansen | Service & Relationships
Andrea Hofer | Loans
Brandy Martinez | Service & Relationships
Emily Safley | Service & Relationships

HELPER OFFICE

Ginger Basso | Manager
Amanda Larsen | Service & Relationships
Teresa Leautaud | Service & Relationships
Tanika Reid | Mortgages
Dillon Riffer | Service & Relationships
Sherrie Vlamakis | Service & Relationships

UINTA BASIN OFFICES

Andrew Ercanbrack | Manager
Kennedy Hansen | Service & Relationships
Nicole Murray | Service & Relationships
Kacie Richards | Loans

POWERTRUST CUSO | ROCK SPRINGS

Candice Berry | Manager
Krissy Kelsey | Assistant Manager
Kaitlin McDaniel | Service & Relationships
Jade Pacheco | Service & Relationships
Joan Wallace | Service & Relationships
Mandy Zuehlsdorff | Loans

POWERTRUST CUSO | CASPER

Crystal Bratvold | Manager
Alicia Evans | Service & Relationships
DeNeile Miller | Service & Relationships