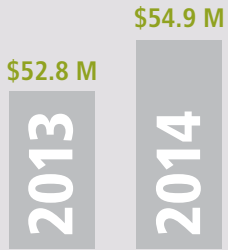
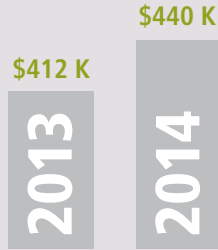


FINANCIAL CONDITION

TOTAL ASSETS



NET INCOME



BENCHMARK

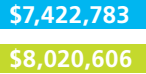
	PEER	AVISTA CREDIT UNION
DELINQUENCY RATIO	1.14%	0.01%
INVESTMENT YIELD	1.09%	1.76%
RETURN ON ASSETS	0.49%	0.81%

*data as of September 30, 2014

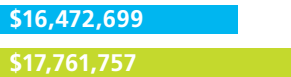
GROWTH

■ 2013 ■ 2014

Auto loans



Home loans



Savings



YEAR IN REVIEW

OUTREACH

50 PRESENTATIONS
VISITED AVISTA FOOTPRINT

COMMUNITY

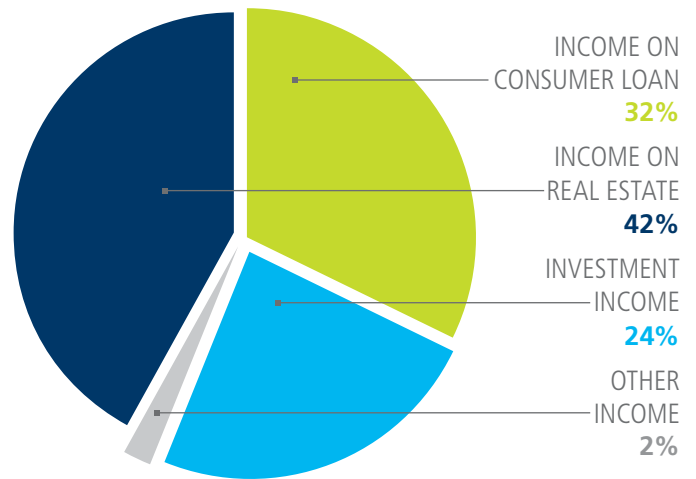
CHARITABLE CONTRIBUTIONS TO:
SALVATION ARMY
TOM'S TURKEY DRIVE
TOYS FOR TOTS

TO BETTER SERVE YOU

HOME EQUITY LINE OF CREDIT
CASH NOW AVAILABLE IN BRANCH
SAME DAY LOAN APPROVAL
NEW REMODELED BRANCH

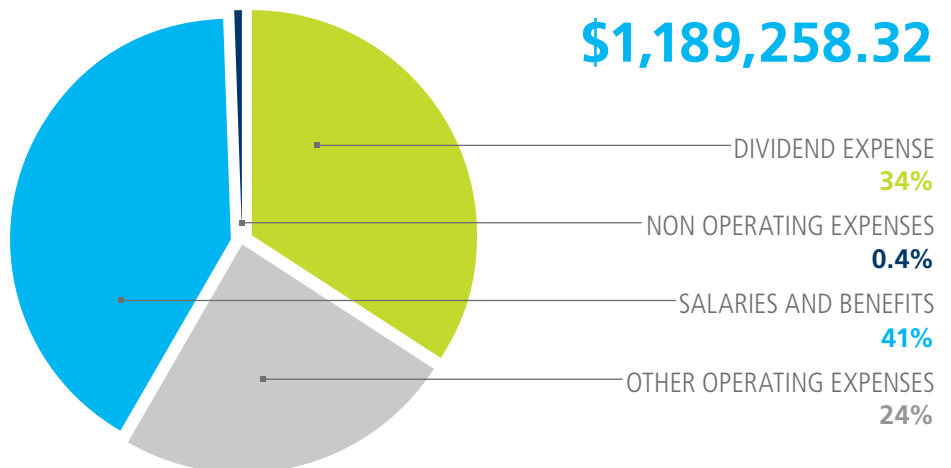
INCOME COMPONENTS

GROSS INCOME **\$1,629,680.81**



EXPENSES TOTAL EXPENSES

\$1,189,258.32





Credit Union

81ST ANNUAL MEETING: APRIL 23, 2015

AGENDA

5:30pm - Dinner served in Cafeteria
6:00pm - Doors open to Auditorium
6:30pm - Annual meeting and Prize giveaway
7:00pm - Entertainment by Magician Nick Norton
Location - Avista Headquarters, 1411 E Mission Ave.

BOARD OF DIRECTORS

Scott Kinney, *President*
Laura Vickers, *Vice President*
Michael Grabicki, *Secretary/Treasurer*
Pat Gorton
Don Falkner
Bryan Cox
Randy Cloward
Russ Feist
Pat Maher
Chuck Milani
Mary Prince
Tim Carlberg

SUPERVISORY COMMITTEE

Tracy Townley, *Chairman*
John Emerson
Catherine Mueller
Don Falkner
Amy Parsons
Marcus Garbarino
Kellee Quick

OTHER COMMITTEE MEMBERS

Jacob Reidt
Stephanie Myers
Mary Jensen

STAFF

Michael Grabicki, *Manager*
Patrick Graham, *Loan Officer*
Karrie Hess, *Operations Specialist*
Devin Manskey, *Member Service Representative*
Amy Wilkinson, *Member Service Representative*

FINANCIALS

BALANCE SHEET

	2013	2014	% Change
ASSETS			
Cash and Cash Equivalents	\$ 891,999.49	\$ 1,961,179.62	119.86%
Investments	21,541,762.16	20,730,304.10	-3.77%
Personal	13,432,746.38	13,893,432.20	3.43%
Real Estate	16,472,699.06	17,761,756.59	7.83%
Less: Allowance for Loan Loss	(72,405.26)	(61,627.84)	-14.88%
NCUA Insurance	440,848.27	462,637.34	4.94%
Other Assets	130,709.14	154,281.45	18.03%
Total Assets	\$ 52,838,359.24	\$ 54,901,963.46	3.91%
LIABILITIES			
Shares	\$ 44,395,391.15	\$ 43,551,920.58	-1.90%
Certificate of Deposit	464,941.67	2,933,850.78	531.01%
Dividends Payable	106,938.74	101,136.88	-5.43%
Other Liabilities	(916.18)	2,528.87	376.02%
RESERVES			
Regular Reserves	1,067,987.35	1,067,987.35	0.00%
Undivided Earnings	6,804,116.51	7,244,539.00	6.47%
	\$ 52,838,359.24	\$ 54,901,963.46	3.91%

INCOME STATEMENT

	2013	2014	% Change
INCOME			
Total Income	\$ 1,604,201.98	\$ 1,629,680.81	1.59%
EXPENSES			
Salaries & Benefits	470,593.91	486,322.38	3.34%
Provision for Loan Losses	(26,055.00)	(15,080.00)	-42.12%
Other Operating Expenses	284,115.45	303,468.30	6.81%
Total Expenses	727,929.05	774,710.68	6.43%
Net Income	\$ 876,272.93	\$ 854,970.13	-2.43%
Dividend Expense	463,971.25	409,980.96	-11.64%
Non Operating Expenses	(725.31)	4,566.68	729.62%
Additions to Undivided Earnings	\$ 412,301.68	\$ 440,422.49	6.82%

PRESIDENT'S REPORT

On behalf of the Avista Corp. Credit Union board and staff, we want to say thank you for being a valued member. The Credit Union completed another extremely successful and productive year in 2014. The Credit Union maintained its strong financial position with an increase in assets of \$2 million and a reserve ratio of 15.1%. The Credit Union also met or exceeded all of the financial targets set for 2014. The Credit Union continues to provide attractive loan rates and dividends for your savings. As our share balances have increased, the Board and staff have worked diligently to increase our loan portfolio so that a competitive dividend can be maintained. Growth of our loan portfolio will continue to be a key focus area in 2015 and beyond.

In the beginning of 2014 the staff was still settling into our newly remodeled facility. It is nice for the staff and the members to be back in a permanent location. On behalf of the Board and staff, we want to thank you for your patience during the time in our temporary location and the transition to our permanent home. We hope all of you will come visit us soon if you haven't already.

The credit union continued to improve service to our members through several loan promotions, starting with an auto loan special in the first quarter of 2014, continuing with a promotion for toys in the summer and ending with our popular Holiday Loan Special. The Credit Union also increased the cash on site as requested by members to better serve your needs. In the area of new products, the credit union began offering a Home Equity Line of Credit (HELOC) in the fall. This program has gotten off to a successful start as several members have applied and been approved for a HELOC. We continue to offer no-fee real estate loans at competitive rates. You can always check out our loan rates and specials at www.avistacu.com, through our advertising posters, statement inserts or by giving us a call.

With the completion of another successful year the Credit Union is excited to expand our services offered to you in 2015. A new website is under construction and should go live in April. The new website will facilitate online bill pay. The staff is also exploring mobile app development including the potential incorporation of Apple Pay. We hope to provide a mobile app sometime later this year. The Credit Union will be implementing a new loan program that will improve the application and approval process. Finally, we will be transitioning our debit cards to the new EMV chip technology towards the end of the year, which will significantly improve member security and reduce fraud risk. The Board and staff are excited to offer you these new products and services.

I would like to take this opportunity to thank the Staff, the Board and especially you as a member for your continued support of the Credit Union during this past year. We know you have choices for your financial institutions and business; however, we appreciate your continued support and trust of the Avista Credit Union. Without you the Credit Union would not be able to continue to deliver the excellent service and competitive products that you have come to know and expect. Thank you and we look forward to serving you in the years ahead.

Scott Kinney
President

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee's responsibility is to serve Avista Corp. Credit Union (ACCU) members by ensuring that credit union operations are effective in protecting credit union assets, and that records are accurately and properly reported. This committee fulfills its obligation to members by monitoring and auditing the activities of the credit union. The committee provides oversight related to the establishment of effective internal controls, adherence to board policies and compliance with appropriate laws and regulations.

The Supervisory Committee contracts with an independent auditing firm, Anastasi Moore & Martin, PLLC, to perform an annual audit of the credit union. Their latest review, conducted in accordance with the National Credit Union Administration (NCUA) Rules and Regulations, dated December 31, 2014, indicated that the overall records and operations of the credit union were found to be in good condition. In addition, the Division of Financial Institutions (DFI) conducted a risk-focused examination of ACCU as of March 31, 2014, and found that ACCU consistently provides safe and sound operations.

Based on thorough analysis, the Supervisory Committee is confident and satisfied that adequate internal controls exist to protect member accounts and the financial statements accurately reflect the performance and condition of the credit union.

The Supervisory Committee takes their responsibility to the credit union and its members seriously and appreciates the assistance and cooperation of the credit union staff, Mike Grabicki and the Board of Directors during this past year.

Tracy Townley
Supervisory Committee Chair
February 2015

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