

REPORT OF THE BOARD OF DIRECTORS

2016 was an excellent year for Financial Plus Credit Union.

Financial results were exceptional and there was significant growth in all branches. Low interest rates continued to make this a favorable borrowing environment for members and resulted in loans and Visa growing by over \$19 million, an increase of 11%. Loan growth was especially strong in our newest branches in Morris and Diamond, with the Diamond branch doubling in size.

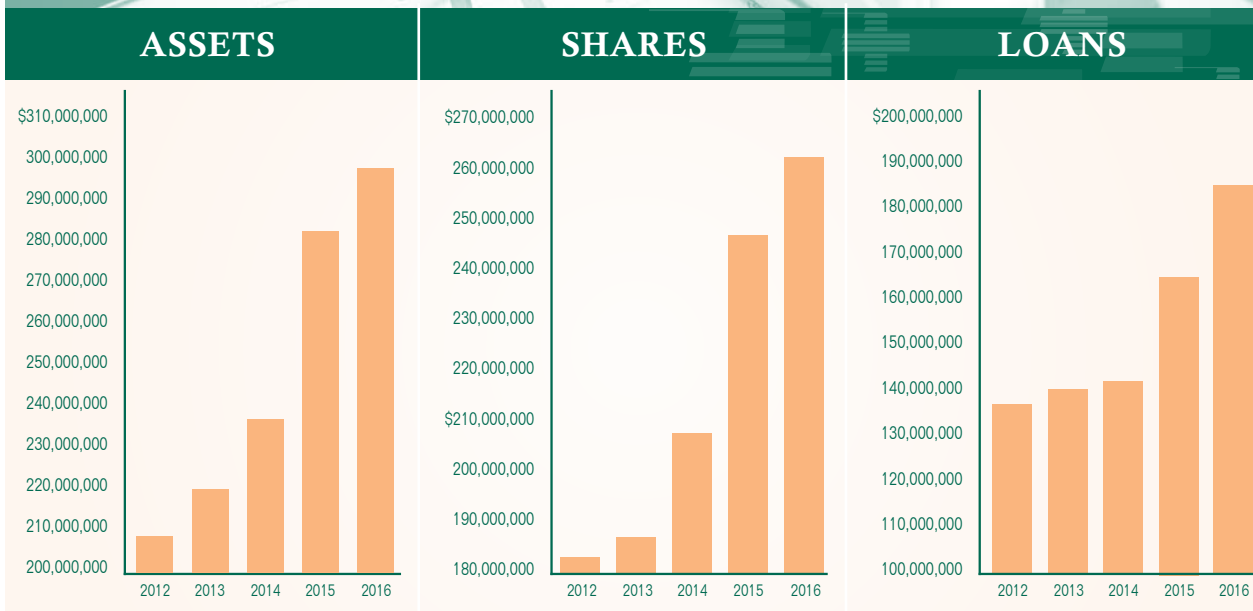
Assets grew by 6.7%, with overall assets increasing from \$280 million to over \$299 million. Savings accounts grew by over \$13 million. The credit union's field of membership was expanded to include all of Lee County. We are excited about the opportunities this expansion brings for our Mendota office.

The year 2016 saw the introduction of Apple Pay, Samsung Pay and Android Pay, and the introduction of chip cards for our Visa credit card accounts. These improvements are expected to make card transactions more secure and convenient.

We continue to emphasize financial literacy for our younger members. Trainers gave 58 presentations to over 1,600 students, and also made 34 Wiley Wabbit appearances at local schools.

Net profit was excellent and brought the credit union's reserves to over \$38.5 million.

We want to thank our members for their continued support of Financial Plus Credit Union. We look forward to serving you in 2017.



STATEMENT OF CONDITION

Assets

Loans to Members (net)	\$ 183,828,941
Cash on Hand - in Banks	\$ 3,902,401
Investments	\$ 91,920,008
Accrued Income	\$ 658,253
Land and Buildings	\$ 6,012,997
Other Fixed Assets	\$ 814,816
Other Assets	\$ 12,207,981
Total Assets	\$ 299,345,397

Liabilities and Member Equity

Liabilities	\$ 2,195,380
Member Common Shares	\$ 120,039,757
Member Certificates, Share Drafts, and Other Shares	\$ 138,811,039
Total Liabilities and Shares	\$ 261,046,176
Regular Reserves	\$ 5,751,868
Undivided Earnings	\$ 32,820,748
Unrealized Gains/Losses	\$ (273,395)
Total Reserves	\$ 38,299,221
Total Liabilities and Member Equity	\$ 299,345,397

STATEMENT OF EARNINGS

Income

Interest from Loans to Members	\$ 7,869,347
Interest from Investments	\$ 860,666
Other Income	\$ 4,756,066
Total Income	\$ 13,486,079

Operating Expenses

Office Operations	\$ 8,148,392
Supervision & Examination	\$ 66,973
Building/Office Occupancy	\$ 683,723
Provision for Loan Losses	\$ 478,674
Total Operating Expenses	\$ 9,377,762

Member Services

League & Chapter Dues	\$ 38,464
Education & Promotion	\$ 537,936
Dividends	\$ 786,350

Total Member Service	\$ 1,362,750
Total Expense & Dividends	\$ 10,740,512

Net Income from Operations	\$ 2,745,567
Extraordinary Gains (Losses)	\$ 5,758
To Reserves	\$ 2,751,325