**OUR MISSION/VISION/CORE VALUES**

**MISSION:** Florida Credit Union will serve our members and communities with efficient, convenient services and quality products that meet their everyday and long term financial needs.

**VISION:** Florida Credit Union members’ lives made better.

**CORE VALUES:**

**Caring Service:** Through new technologies and person-to-person services.

**Integrity:** Will adhere to the highest ethical standards and values.

**Excellence:** Provide progressive and quality programs and services that will benefit our members while promoting growth.

**Financial Stability:** To safeguard our members, we will continue to be a well-capitalized financial institution.

**Cooperative Philosophy:** Improve the economic well-being of our members and communities.

**Community Service:** Promote Florida Credit Union as a leader in serving our community activities and commitment to social responsibility.
As members of Florida Credit Union, account holders are eligible for a variety of financial products and services. Checking, money market accounts, club accounts, loans of any kind, credit cards, debit cards, online banking, mobile banking, commercial banking - the list goes on and on. But the real difference lies in the nature of our organization; we are a financial service cooperative.

Cooperatives are customer-owned organizations. In other words, the people who own Florida Credit Union are the people who make deposits, take out loans, and keep their savings at FCU. That’s you – you are a member/owner. Your credit union can never be bought or sold. This is in stark contrast to the banking industry where community or state banks are built up and later sold to large, out-of-the-area banks. In this case, the stockholders usually profit greatly and the customers receive no benefits. Many times, service levels are actually diminished after the buyout.

With Florida Credit Union, the stockholders and customers are the same people. Profits earned by the credit union are retained as capital to meet regulatory requirements and for expansion of the credit union and its service offerings. With a bank, the goal is to maximize the profit of its stockholders which is a totally different group than its customers. That is the Florida Credit Union difference.

Our goal is to maximize the service/value relationship with our customer/owners while building and maintaining the strength of Florida Credit Union so it is here to serve future generations. Florida Credit Union continues to utilize the cooperative principles of:

1. **Voluntary and Open Membership**
   FCU is open to all persons in our state-approved field of membership who are interested in using our services and willing to accept the responsibilities of membership.

2. **Democratic Member Control**
   The member/owners of FCU choose the individuals who serve as elected trustees.

3. **Member Economic Participation**
   Member/owners benefit proportionately to their level of participation from full utilization of the products and services that are available through the organization.

4. **Autonomy and Independence**
   Financial service is offered to the member/owners who control the organization.

5. **Education, Training, and Information**
   Information is provided to members, elected representatives, and staff to ensure further development of the organization.

6. **Cooperation Among Cooperatives**
   Working with local, regional, national, and international groups to advance knowledge and service availability.

7. **Concern for the Community**
   Providing services and programs to benefit the members of the community.

As a Florida Credit Union member, you are an owner of one of the strongest financial institutions in North Central Florida. Take advantage of ownership privileges such as free auto advisory service or a personal consultation with a member service specialist. Then help your credit union grow by spreading the word about the Florida Credit Union difference.
Florida Credit Union was established in 1954 – 62 years ago! At that time, the Board of Directors pledged to focus on member needs. Today’s Board has the same goal and will continue to focus on meeting needs of members in the coming years. Throughout this report, you will see that Florida Credit Union is as safe and strong as ever.

In 2016, Florida Credit Union membership took advantage of the great products and services the credit union offers including very competitive rates on deposit accounts, low loan rates, and electronic access through online banking and mobile banking. Because of member participation, our assets are $860 million at year end. The most important measurement of a credit union’s soundness is the capital ratio. Florida Credit Union is considered “Well Capitalized” by federal and state examiners, with our year end capital ratio being 10.01%.

A primary responsibility of your Board of Directors is to ensure that the operations of the credit union meet the needs of the membership. We must also ensure these operations are performed safely and soundly. The reports included in the 2016 Annual Report support that Florida Credit Union is indeed managed in accordance with policies, laws, and regulations. Florida Credit Union is a safe and sound financial institution and is well-situated for the future.

We have come a long way in six decades and are determined to continue to meet the needs of our membership while operating within sound financial guidelines.

Dr. Barbara Buys
Chair
Stability

As a member-owned local financial cooperative, Florida Credit Union has strong ties to the community and a solid foundation. We can’t be bought or sold. We are here for the long-term. We’re ready to provide financial services to local consumers and small businesses.
Florida Credit Union experienced another year of solid, managed growth. This growth is attributed to you, the owners of the credit union, for taking advantage of our deposit, loan, and electronic products. Since beginning in 1954, Florida Credit Union has remained a major financial institution in North and Central Florida. Our decisions and efforts always focus on our members’ needs and how we can better meet all of their expectations. We will continue to keep in mind that this is your credit union and encourage all members to take advantage of our products and services.

In 2016 our loan programs were as successful as ever. Members obtained over $64,300,000 in real estate loans and about $250,000,000 in auto loans. Over 29,043 consumer loans were granted in 2015 amounting to $251,800,000. We also provided over $15,000,000 in funding to businesses in the past 12 months. Additionally, we continue to attract new members. In 2016, over 19,500 new accounts were opened. Thanks to you – our members – we have come a long way in 62 years.

In 2016, Florida Credit Union consistently promoted loan programs that were designed to help members pay less. These proved to be very successful. Over $65,000,000 in loans were moved from other financial institutions who overcharged members. We were able to save our members over $6,000,000. That’s money they would have otherwise given to finance companies, banks, or credit card companies if they had not taken advantage of our money-saving alternatives.

A new office was added to our branch network in 2016. The Maricamp branch opened in the summer and is the fourth location in Ocala. Just as exciting is the fourth Gainesville branch that opened in January 2017 making the total number of FCU branches eleven.

In 2015 and 2016 we enhanced electronic access channels such as online loan and membership application products and mobile banking. These allow members to utilize the services of FCU without going into a branch office. Members can apply for a loan online and receive the funds without ever stopping in to a branch. Our most recent addition to the electronic services line is mobile check deposit. Using a smartphone, members can deposit checks anytime of the day or night, virtually anywhere in the world. Online banking, mobile banking, bill pay services, and online applications offer member the opportunity to bank at their own convenience.
In 2017, we will continue to focus on the financial needs of our membership. We plan to offer new products and services to allow you to conduct your financial business conveniently.

We will also continue to focus on our facility and service needs. All locations offer very convenient hours of operation. Members can reach a member of our staff 63 hours each week. Whether inquiring about CD rates or applying for a loan, our staff is available weekdays from 9 am to 8 pm and on Saturdays from 9 am to 5 pm. In addition, we offer loan services by phone 24 hours a day, 7 days a week. FCU understands how busy members are, so we make mortgage and loan services more convenient with this “round the clock” availability. You can talk to a fully-qualified loan officer anytime of the day or night simply by calling a local branch.

The board and management of FCU will continue to operate your credit union safely, using guarded and sensible decisions that are rooted by the needs of the membership. Our capital ratio of 10.01% far exceeds the 6% required ratio of federal and state examiners. It is because of the diligent and focused efforts of your board and management that Florida Credit Union continues to grow and succeed.

As a member/owner of Florida Credit Union, you belong to a strong, viable financial institution. With our soundness and stability, we are well positioned in today’s financial arena to meet your personal financial needs. I urge you to take full advantage of your credit union membership.

Mr. Mark N. Starr
President/CEO
Report of the Audit Committee

By state law, the Audit Committee is appointed by the Board and charged to oversee the policies and programs of the credit union. The committee ensures that a comprehensive audit of credit union books and records is performed, and reports the results to the membership.

During the past year, the Audit Committee met with the auditing team from the firm of Hutto and Carver, P.A. The comprehensive audit as of September 30, 2016 indicates that the credit union is performing to the best benefit of the membership. This same firm performs extensive internal audit work on a quarterly basis to verify that policies, regulations, and generally accepted accounting principles are being met. The work of the Audit Committee, in partnership with the auditing firm, ensures that operations and programs authorized by the Board of Directors are being well managed.

Our financial performance is also highly scrutinized by federal and state examiners who are charged with ensuring the safety of your funds. Their findings, year after year, are that Florida Credit Union is a well-run, financially-viable financial institution, with sound management practices.

We appreciate the opportunity to serve the membership and encourage all members to take advantage of the many services and benefits offered by your credit union.

**Dr. Jacquelyn D. Hart**  
Chair
Convenience

Florida Credit Union currently has eleven branch locations. Our Contact Center and select offices are open until 8 pm weeknights and 5 pm Saturdays. That is 63 hours a week. Additionally, members can apply for accounts and loans by going to flcu.org. We have loan officers on duty 24/7 via phone and online. Apply for a loan, talk with a loan officer, and receive the funds anytime of the day or night, without ever setting foot in a credit union office! Of course, you can always access your FCU account 24/7 with online banking, mobile banking, and Info24.
The Credit Manager is appointed by the Board and is responsible for the approval of loan applications in compliance with Board approved policies.

In 2016, Florida Credit Union originated over $360 million in loans of all types. Our most popular loan products in 2016 were autos, credit cards, and first mortgages. One of the most popular features of FCU mortgages is that the servicing is not sold to other financial institutions. We take pride in the fact that all loans stay here at home where they belong.

We also experienced a great deal of success with a program that offered members a copy of their credit report with a free analysis of that report. More often than not, members discovered that they were paying much higher rates than they should have been paying. Through this free program, we were able to help members reduce their monthly payments, increase their credit score, and take control of their finances. We are excited to be able to continue to offer this very successful program in 2017.

In the coming years, you can expect to see more loan products along with more ways to obtain loans. As usual, FCU rates and terms will be very competitive.

**Mr. Mark N. Starr**
Credit Manager
Report of the Treasurer

Florida Credit Union is now serving over 80,000 members. Statistics can be found in the Report of the Board of Directors and the President’s Report. As compared to credit unions statewide, Florida Credit Union tends to grow at or above average trends year after year – 2016 was not an exception. All of this can be attributed to the amount of business our members conduct with us.

As of September 2016, Florida Credit Union was the 18th largest credit union in Florida in terms of asset size. Nationally, we are in the top 10% of all credit unions.

On the following pages we present a breakdown of the assets and liabilities of Florida Credit Union. You will notice that our assets as of December 31, 2016, were $862,575,326. Additionally, our capital ratio remains extremely strong at over 10.01%. You can see why the board, management and staff of your credit union are so proud of the successes we have experienced.

Mr. Al Peoples
Treasurer
Florida Credit Union’s Mortgage Department combines years of mortgage lending experience with the personal touch that only your credit union can deliver. We have a full line of first mortgage products, but with the added benefit that is unique to FCU.

Mortgage brokers, many banks, and most credit unions originate first mortgage loans - then they sell that loan to some large, national chain. Customer service options are only available over the phone, payments are made out of state; you never talk to the same person twice. With a Florida Credit Union mortgage, your loan stays here, at home, where it belongs. Decisions are made locally, payments are made locally. You have access to mortgage information in a branch, over the phone, and online.

We offer a wide variety of products and services; all are geared to save members time and money. We especially take pride in offering FCU member/owners unique options for their mortgage needs.
Member Profiles

**Mark Hurm** has been in the air conditioning and heating industry nearly all his life. By the time he left to attend the University of Florida, Mark was installing HVAC systems with his own crew. He graduated from the College of Engineering and went on to pursue a career in the wholesale side of HVAC. After several years, he moved his family back to Gainesville, and eventually formed Mark Hurm & Co, LLC.

Mark and his business became a member of FCU in 2007 and he enjoys the connection his company has built. *“My favorite part of being with FCU is by far the personal relationships we’ve gained with the staff and other members!”*

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**Dianna Bennis** and her husband, Warren, have been members of Florida Credit Union since 1995. Joining with FCU because Warren had been a member for quite some time, she found that belonging to FCU was like belonging to a family.

*“We love the branch off of Hwy 200 in Ocala. Every time we come in, they know we’re there! The people are awesome - it’s just a really fun place to bank!”*

A long-time resident of Ocala, Dianna is a domestic engineer with her husband of 15 years, Warren, a retired printer (Good Time Printing, Ocala). In her spare time, she loves to cook, garden, fish, and entertain her friends and family.

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**Justin Berk** has been a member of Florida Credit Union since March of 2008, after deciding he needed to get his financial life in better shape. With help from our Assistant Manager at the 13th Street Branch, Justin was able to get his credit back on track and found that FCU’s doors were always open to help.

*“FCU gives it to you straight; there’s no hidden agendas and they actually want to help. I recommend everyone to Florida Credit Union!”*

Justin has been a professional piercer for 20 years and is manager at BODYTECH Tattooing and Piercing. In his spare time, Justin likes to take his boat out on the water or his motorcycle out for a ride!
Florida Credit Union’s Commercial Banking programs are competitive and convenient – just what business owners need today. Take advantage of deposit and loan products that are designed to meet the unique needs of businesses of all sizes.

Take advantage of a free personal consultation with a member of our commercial services team. They are prepared to help you find the commercial banking package that best meets your needs – not the needs of the bank. Isn’t it time you started paying yourself rather than those shareholders?

Business owners – take control of your finances. Take advantage of our free, no obligation consultation service; see for yourself what the credit union difference can do for your bottom line.
Florida Credit Union cares about the communities we serve, and supports local schools, athletics, fundraisers, charities, and so much more. FCU employees participate at local events and often donate their free time to better our community. This will be a continued focus for FCU, because as we continue to grow – we want to help our friends and neighbors do the same.
**Statement of Financial Condition**

As of December 31, 2016

<table>
<thead>
<tr>
<th>Assets:</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>$ 743,912,783</td>
</tr>
<tr>
<td>Less: Allowance for Loan Loss</td>
<td>(6,992,173)</td>
</tr>
<tr>
<td>Net Loans</td>
<td>$ 736,920,610</td>
</tr>
<tr>
<td>Cash on Hand</td>
<td>5,452,957</td>
</tr>
<tr>
<td>Investments, at Amortized Cost</td>
<td>81,071,557</td>
</tr>
<tr>
<td>Fixed Assets, Less Accum Depreciation</td>
<td>19,972,546</td>
</tr>
<tr>
<td>NCUSIF Deposit</td>
<td>6,711,921</td>
</tr>
<tr>
<td>Other Real Estate Owned</td>
<td>575,286</td>
</tr>
<tr>
<td>Loans Held for Sale</td>
<td>1,825,650</td>
</tr>
<tr>
<td>Other Assets</td>
<td>10,044,799</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 862,575,326</strong></td>
</tr>
</tbody>
</table>

| Liabilities and Members’ Equity:                 |                         |
| Members’ Shares & Savings Accounts              | $ 680,466,668            |
| Non-Member Deposits                             | 55,509,000               |
| Accounts Payable                                | 7,928,765                |
| FHLB Borrowing                                  | 25,000,000               |
| Other Accrued Liabilities                       | 7,287,284                |
| **Total Liabilities**                           | **$ 776,191,717**        |

| Members’ Equity:                                |                         |
| Regular Reserve                                 | 2,519,688                |
| Undivided Earnings                              | 83,863,921               |
| Unrealized Gain/(Loss) on Security              | 0                        |
| **Total Equity**                                | **$ 86,383,609**         |

| **Total Liabilities and Members’ Equity**       | **$ 862,575,326**        |
Statement of Operations

As of December 31, 2016

<table>
<thead>
<tr>
<th>Income:</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on Loans</td>
<td>$38,027,164</td>
</tr>
<tr>
<td>Income on Investments</td>
<td>$489,240</td>
</tr>
<tr>
<td>Other Income</td>
<td>$19,161,451</td>
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<tr>
<td><strong>Total Income</strong></td>
<td><strong>$57,677,855</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Compensation and Benefits</td>
<td>$16,773,997</td>
</tr>
<tr>
<td>Office Operations</td>
<td>$7,316,062</td>
</tr>
<tr>
<td>Office Occupancy</td>
<td>$1,348,240</td>
</tr>
<tr>
<td>Professional and Outside Services</td>
<td>$3,790,226</td>
</tr>
<tr>
<td>Provision for Loan Loss</td>
<td>$5,160,000</td>
</tr>
<tr>
<td>Education and Promotional</td>
<td>$3,056,192</td>
</tr>
<tr>
<td>Loan Servicing</td>
<td>$3,178,646</td>
</tr>
<tr>
<td>Other Miscellaneous</td>
<td>$952,220</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$41,575,583</strong></td>
</tr>
</tbody>
</table>

| Income Before Cost of Funds   | $16,102,272              |

<table>
<thead>
<tr>
<th>Non-Operating Gains or Losses:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gain/(Loss) on Investments</td>
<td>-</td>
</tr>
<tr>
<td>Gain/(Loss) on Disposition of Assets</td>
<td>(1,010,563)</td>
</tr>
<tr>
<td>Other Non Operating Gains/(Losses)</td>
<td>-</td>
</tr>
</tbody>
</table>

| **Total Net Income Before Cost of Funds** | **$15,091,709** |

<table>
<thead>
<tr>
<th>Cost of Funds:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends and Interest</td>
<td>$4,867,344</td>
</tr>
<tr>
<td>Interest on Borrowed Funds</td>
<td>$169,131</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td><strong>$10,055,234</strong></td>
</tr>
</tbody>
</table>
As a Florida Credit Union member/owner, you enjoy local, fast decisions; the ability to make your payments locally; a full range of products and services; and specialized customer service.

**Personal Banking Services**
- Checking Accounts
- Youth Accounts
- Money Market Accounts
- Savings Accounts
- Vacation and Holiday Accounts
- IRAs and CDs
- Investment Services
- Auto and Boat Loans
- Personal Loans
- Credit Cards
- Mortgages – Including FHA, VA and USDA
- Home Equity Loans
- Visa® Debit Cards
- Visa® Credit Cards
- Life Insurance Products

**Commercial Banking Services**
- Checking Accounts
- Money Market Accounts
- CDs
- Vehicle and Equipment Loans
- Lines of Credit
- Visa® Debit Cards
- Visa® Credit Cards
- Owner Occupied Real Estate
- Non-Owner Occupied Real Estate
- Investment Services
- Insurance Products

**Convenience Services**
- Eleven locations
- 24 hour loan center
- Extended Contact Center and select offices
  - Mon – Fri 9 a.m. – 8 p.m.
  - Saturday 9 a.m. – 5 p.m.
- Local, Fast Decisions

**Electronic Services**
- Online Banking
- Online Bill Payer
- Info 24 (Automated phone banking)
- Mobile Banking
- Mobile Bill Pay
- Mobile Check Deposit
- Online Applications
eStatements
- Payroll Deduction
- Direct Deposit
- 24-hour ATMs

Visit us on facebook and twitter

[Social media icons]
Membership in Florida Credit Union is open to all who work or reside in Alachua, Baker, Bradford, Citrus, Clay, Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Hernando, Jefferson, Lafayette, Lake, Levy, Madison, Marion, Nassau, Putnam, Seminole, St. Johns, Sumter, Suwannee, Taylor, Union and Volusia Counties.

**43rd Street Office**  
2831 NW 43rd St.  
Gainesville  
352-377-4141

**13th Street**  
3720 NW 13th St.  
Gainesville  
352-377-4141

**Haile Market Square**  
2785 SW 91 St.  
Gainesville  
352-377-4141

**Butler Plaza North**  
2803 SW 42nd St.  
Gainesville  
352-377-4141

**Lake City Office**  
586 West Duval  
Lake City  
386-755-4141

**Ocala Office**  
2424 SW 17 Rd.  
Ocala  
352-237-8222

**Silver Springs**  
3504 East Silver Springs Blvd.  
Ocala  
352-237-8222

**Country Oaks**  
9680 SW 114 St.  
Ocala  
352-237-8222

**Maricamp**  
10 Bahia Ave. Lane  
Ocala  
352-237-8222

**Starke Office**  
2460 Commercial Drive  
Starke  
904-964-1427

**DeLand Office**  
1735 N Woodland Blvd  
DeLand  
386-738-4717

**Mailing Address**  
P.O. Box 5549  
Gainesville FL 32627-5549

**Outside Local Calling Areas**  
(800) 284-1144

Visit Florida Credit Union On The Web  
www.flcu.org