Landon K. Spillmann, \(\text{and faith you have placed in us as the "oversight" branch of A+FCU's Supervisory Committee, P. O. Box 15102, Austin, TX 78761.}\)

Concerns can be mailed to our independent mailbox at:

the member feels they have not been resolved by the management Committee's oversight role, it responds to member issues when

compliance with generally accepted accounting principles. As part of the fair representation the financial position of A+ Federal Credit Union and

period ending June 30, 2016, and found the financial statements

accounts and conducting an annual financial audit. The accounting department to ensure the Management's

member. This year's members are Curtis Davidson, Kevin M. Kline,

achieving your dreams, is our vision.

2016 Annual Report

Let's bank on each other.

Chairman's Report

For many of us the beginning of a new year is a time for reflection on the past with anticipation of the future. As I reflect on one thing that came to mind was A+FCU's message for 2017, “Let’s Bank on Each Other.” Personally, I could think of numerous occasions when this concept of people “banking on each other” came to my family’s rescue as we paid for education, automobiles, improved homes, and even the birth of our only child. This message captures why I and many other members have embraced the basic concepts of the Credit Union movement.

Since its inception in 1949, A+FCU has grown to serve almost 153,000 members and its assets now exceed $1.6 billion. During 2016 we continued the trend of steady growth increasing membership, net deposits, and loans.

Our member rewards programs continue to provide great benefit to our members. As of December 31, the Cash-Back Checking rewards program had returned $1.4 million to nearly 55,000 of our members. In addition, our members benefited from over $1.4 million in either savings on loans or increased earned interest on certificates of deposit through the PlusPoints rewards program.

The Board wholeheartedly supports these programs despite the impact they have on our financial ratios.

On December 14th, we celebrated as we opened the beautiful new branch at Northwest Hills. This new addition brought our branch location totals to twenty-one (21). In just a couple of weeks close to 100 new members have become A+ members at this branch and we see the potential for continued growth at this location.

During 2017, A+ will remain focused on its strong commitment to public education as it continues several initiatives benefiting both the K-12 community and higher education. Of particular note is the Board’s continued commitment to awarding scholarships, increasing the amount to be awarded in 2017 to $90,000. Our Credit Union’s commitment to our communities is also evidenced through our staff’s strong participation in a number of community activities.

While 2017 will undoubtedly be filled with many challenges, it will also present us with many opportunities. Let’s continue to “bank on each other” to achieve great results!

Respectfully,

Lolly Guerra, Ed.D., Board of Directors Chair

Treasurer’s Report

As Treasurer of A+ Federal Credit Union, representing your Board of Directors and staff, I am honored to report the financial results of your Credit Union this past year. You will find this information in the Annual Membership Report. Despite a challenging year in the national economy, in 2016 we continued to show growth in deposits of $74.9 million, bringing our total shares to $1,174,458,455. We also had a net increase in growth of 4,840 members, bringing our total membership up to 132,970.

Due to the strength of our Credit Union and our hard working management team and staff, we showed growth in total assets. We will face even more challenges in 2017 but will continue to offer high quality services for you, our members. If there are any changes or additions to the services our Credit Union provides, we will, as always, consider the financial needs of our members first. It is our hope that if you are shopping for that new car, home, business loan, education loan or any other product, you will think of A+FCU first.

Thank you,

Terry L. Lord, Treasurer

Supervisory Committee Report

Your Credit Union’s Supervisory Committee is made up of four member volunteers appointed by the Board of Directors, and one Board member. These four members are Curtis Davidson, Kevin M. Kline, Andrew McBride, Dr. Gloria Williams and myself. We meet monthly with the Internal Audit department to ensure the Management’s financial reporting objectives have been met, and that their practices and procedures safeguard members’ assets.

The committee is also responsible for verification of member accounts and conducting an annual financial audit. The accounting firm of CliftonLarsonAllen, LLC performed this year’s audit for the period ending June 30, 2016, and found the financial statements fairly represent the financial position of A+ Federal Credit Union and conform to generally accepted accounting principles. As part of the Committee’s oversight role, it responds to member issues when the member feels they have not been resolved by the management or staff. Concerns can be mailed to our independent mailbox at: Supervisory Committee, P.O. Box 15102, Austin, TX 78761.

On behalf of the Committee, I would like to thank you for the trust and faith you have placed in us as the “oversight” branch of A+FCU’s governance.

Landon K. Spillmann, Supervisory Committee Chair

Board of Directors

Ms. Adelaida “Lolly” Guerra, Ed.D. (Chair)
Mr. David U. Torres (Vice Chair)
Ms. Terry L. Lord (Treasurer)
Ms. Georgia L. Johnson (Secretary)
Mr. Lester L. Lindig
Mr. Landon K. Spillmann
Mr. Joe G. Thedford, Ph.D.

Officers

Ms. Kerry A.S. Parker, CPA (Chief Executive Officer)
Mr. Dennis Lofita, CPA (Executive Vice President, Chief Financial Officer)
Mr. John Demmier (Chief Lending Officer)
Mr. O.J. Gilder (Chief Information Officer)
Mr. Rob Tomaxino (Chief Operations Officer)

Supervisory Committee

Mr. Landon K. Spillmann (Chair)
Mr. Andrew McBride
Ms. Gloria L. Williams, Ed.D.
Mr. Kevin M. Klein
Mr. Curtis Davidson

Banking on you.

- Assets: $1,307,724,029 (+$875,622,110)
- Deposits: $117,458,455 (+$74,970,698)
- Loans: $959,463,880 (+$101,989,467)
- Members: 132,970 (+48,840)
- Branches: 21 (Northwest Hills open in November 2016)
- Employees: 77
- Members received $1,403,272 from Cash-Back Checking rewards (a nearly 60% increase from 2015) with over $38,000 given back to our four high school branches and UTSD/Hutto ISD
- Members saved $1,418,981 through the PlusPoints rewards program

Better together.

- 78% of our members think of A+ first for their financial needs
- A+ Education Foundation awarded $70,000 in grants to 77 educators
- 775 adults attended free financial education events
- Four new Employee Groups, including Central Texas College staff & students
- Over 350 members took part in two free Shred Days at the Main Branch
- Recognized as Business of the Year by the Career and Technology Association of Texas
- One of Austin American-Statesman’s Top Workplaces for 2016
Why do our members think of A+ first?

"A+ was very helpful in preparing me for buying a new car, even though I financed thru the dealership. They gave me the information needed to get a better deal. Thanks."— Kay

"We are actually finishing up switching to A+ from Wells Fargo so we can fully support a local federal credit union that also supports our local goals. Prior to the first month, we’ve already received larger rebates than what we see in our past 5+ years with Wells Fargo! Working with A+ is a MUCH better choice for making our finances work for us in a smart way. Thank you for being wonderful!"— Veronica

"At the age of 75+ I'm not too computer savvy, but your employees are always so helpful in guiding me in the right direction. Paying my bills has never been easier. I have been hit times on very limited funds & thanks to A+ I have been able to secure funds thru my credit line, which has saved me time & having to ask my children for funds. The location at the bank is great 10 min. from my home. I like knowing A+ is involved with students & our area schools. After 20+ years, A+ is – Julia

"I have always been treated with respect, and I love being able to walk into a bank and be recognized, even after 6 months. I recommend everyone I know in the Austin area come bank here, because of how satisfied I am with service."— Emily

"I love our membership to A+! However, because of mobile banking I don't need a branch. When My 2 boys moved to Austin they also opened accounts. I have financed cars b/c of best interest rates. I use A+ because I'm not charged a fee each month, with 2 boys in school 10 cents or 5 cents each time they use their card makes a big difference. It also helps show them how small change can make a difference, it has been very effective and ask for a car loan, and gain "— April

"I have had 4 loans with A+ and have never stepped foot in any of your branches. If that doesn’t speak for ease of doing business then I don’t know what does. Could be a happier customer."— Jeffrey

"Loyalty and if I'm not able to get what I need the employee talks with me about what I need to do to be able to get either a loan, credit card or just help with my account. " — Penny

"I am a member of A+ for 20+ years. A+ is the best Credit Union. Good people, good service, good rates. It is a well run credit union that I would highly recommend to anyone. " — Elinore