

FIRST BUSEY CORP /NV/
Form 11-K
June 28, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

**FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS
AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

**x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the fiscal year ended December 31, 2017

OR

**o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: **0-15950 (First Busey Corporation)**
 33-30095 (First Busey Corporation Profit Sharing Plan and Trust)

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

First Busey Corporation Profit Sharing Plan and Trust

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

First Busey Corporation

100 W. University Avenue

Champaign, Illinois 61820

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FIRST BUSEY CORPORATION
PROFIT SHARING PLAN AND TRUST

FINANCIAL STATEMENTS

December 31, 2017 and 2016

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

Champaign, Illinois

FINANCIAL STATEMENTS

December 31, 2017 and 2016

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Employee Benefits and Compensation Committee and Plan Participants

First Busey Corporation Profit Sharing Plan and Trust

Champaign, Illinois

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of First Busey Corporation Profit Sharing Plan and Trust (the Plan) as of December 31, 2017 and 2016, the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of First Busey Corporation Profit Sharing Plan and Trust as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

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Supplemental Information

The supplemental schedule of assets (held at end of year) (supplemental information) has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

We have served as the Plan's auditor since 2012.

Champaign, Illinois

June 28, 2018

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2017 and 2016

	2017	2016
ASSETS		
Participant directed investments, at fair value	\$ 131,967,329	\$ 106,138,744
Cash	8,155	7,894
Receivables:		
Participants' contributions	170,986	133,440
Employers' contributions	2,394,064	2,041,517
Notes receivable from participants	1,327,625	1,036,790
Total receivables	3,892,675	3,211,747
NET ASSETS AVAILABLE FOR BENEFITS	\$ 135,868,159	\$ 109,358,385

See accompanying notes to financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2017

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	\$ 11,909,482
Interest and dividends on investments	5,080,269
Total investment income	16,989,751
Interest income from notes receivable from participants	38,917
Contributions:	
Employers	5,382,985
Participants	6,001,908
Participant rollovers	8,283,263
Total contributions	19,668,156
Total additions	36,696,824
Deductions from net assets attributed to:	
Benefits paid to participants	9,980,376
Administrative expenses	206,674
Total deductions	10,187,050
Net increase	26,509,774
Net assets available for benefits:	
Beginning of year	109,358,385
End of year	\$ 135,868,159

See accompanying notes to financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 1 - PLAN DESCRIPTION

The following description of the First Busey Corporation Profit Sharing Plan and Trust (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan s provisions.

General: The Plan is a defined contribution plan covering substantially all employees of First Busey Corporation and its subsidiaries (the Employers). Effective January 1, 2016, the Plan was restated to incorporate legislative, regulatory, and administrative updates. Employees are eligible at age 21 to make salary deferrals and receive matching contributions. Employees are eligible for the employer profit sharing contribution at age 21 and after completion of one year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions: Each year, participants may contribute a percentage of their pretax and after tax annual compensation, as defined in the Plan, subject to limitations of the Internal Revenue Code. Participants may also contribute amounts representing distributions from other qualified plans. Eligible participants may also make catch-up contributions to the Plan.

The Employers contributions to the Plan are determined annually by the Board of Directors. The Employers make safe harbor matching contributions to the Plan equal to a percentage of the first 5% (100% on the first 3% and 50% on the next 2%) of total compensation that a participant contributes to the Plan. The Employers may also make profit sharing contributions as determined by the Board of Directors each year. For the year ended December 31, 2017, the Employer made a profit sharing contribution of 3% of eligible compensation. Contributions are subject to certain limitations.

Participants direct the investment of the contributions into their account into the various investment options offered by the Plan, including First Busey Corporation common stock.

Participant Accounts: Each participant s account is credited with the participant s contributions and an allocation of the Employers contributions and the Plan s earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings, participant contributions, or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account. Any discretionary profit sharing contributions will be allocated to the Plan in the following year, prior to the due date of the

corporate tax return.

Vesting: Participants are immediately vested in their voluntary contributions, the Employers safe harbor matching contributions, and the respective plan earnings on those contributions.

This information is an integral part of the accompanying financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 1 - PLAN DESCRIPTION (CONTINUED)

Vesting in the Employers' profit sharing contributions portion of their accounts is based on years of continuous service. A participant is 100% vested after five years of credited service. A participant is 100% vested upon reaching retirement age, death, or disability regardless of years of service.

Notes Receivable from Participants: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less, from any source except profit sharing or Roth (after tax) accounts. The loans are secured by the balance in the participant's account and bear interest at the prime rate. Loans must be repaid in five years unless the proceeds are used to acquire a primary residence, which then must be repaid in a term established at the time of the loan. Interest rates are fixed over the term of the loan. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits: During employment, distribution is allowed upon age 59 ½ or due to financial hardship. Upon termination of service, a participant is entitled to receive an amount representing the vested interest in his or her account. Participants whose vested account balance is under \$5,000 are paid through a single lump sum amount or a rollover into an IRA. Participants whose vested account balance is over \$5,000 may elect to receive their payment either as a lump-sum amount or as installments over a period not longer than the life expectancy of the participant.

Forfeitures: The non-vested portion of terminated participants' accounts plus earnings thereon are forfeited. Prior to January 1, 2016, forfeitures were reallocated annually to participant accounts. Effective January 1, 2016, forfeitures are used to reduce non-elective employer contributions or to pay Plan expenses. During the year ended December 31, 2017, forfeitures of approximately \$63,000 were used to pay Plan expenses. Forfeitures for nonvested account balances as of December 31, 2017 and 2016 were approximately \$8,000 and \$8,000, respectively.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan have been prepared using the accrual basis of accounting.

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results may differ from those estimates.

This information is an integral part of the accompanying financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition: The Plan's investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Payment of Benefits: Benefits are recorded when paid.

Expenses: Prior to second quarter 2017, expenses of maintaining the Plan were paid through a revenue sharing account, which are excluded from these financial statements. Remaining fees were deducted from Plan assets. Beginning with second quarter 2017, all fees were deducted from the Plan assets, with revenue sharing payments being directly credited each quarter to participants with investments that generated the revenue sharing. Fees related to the administration of notes receivable from participants and fees related to Qualified Domestic Relations Orders are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

Concentration: As of December 31, 2017 and 2016, approximately 8% and 10%, respectively, of the Plan's investment assets were invested in First Busey Corporation common stock.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2017 and 2016. Delinquent participant loans are reclassified as distributions based upon the terms of

the Plan document.

Risks and Uncertainties: The Plan provides for various investment options. The underlying investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

This information is an integral part of the accompanying financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events: The Plan has evaluated subsequent events through June 28, 2018, the date that the financial statements were issued.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

This information is an integral part of the accompanying financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

There have been no changes in the valuation methodologies at December 31, 2017 and 2016. Following is a description of the valuation methodologies used for assets measured at fair value:

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

Stock fund: Valued at a unitized value which moves in direct relationship to First Busey Corporation stock.

Money Market Deposit Account: Valued at NAV of the units held by the Plan at year end. NAV is equal to \$1.00, and individual participant accounts are FDIC-insured up to \$250,000.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

	Assets at Fair Value as of December 31, 2017			Total
	Level 1	Level 2	Level 3	
Mutual funds	\$ 116,788,844	\$	\$	\$ 116,788,844
Common stocks and stock fund	10,939,960			10,939,960
Money Market Deposit Account	4,238,525			4,238,525
Total assets at fair value	\$ 131,967,329	\$	\$	\$ 131,967,329

Assets at Fair Value as of December 31, 2016

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	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 90,974,279	\$	\$	\$ 90,974,279
Common stocks and stock fund	10,913,424			10,913,424
Money Market Deposit Account	4,251,041			4,251,041
Total assets at fair value	\$ 106,138,744	\$	\$	\$ 106,138,744

This information is an integral part of the accompanying financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 4 - PARTY-IN-INTEREST TRANSACTIONS

Parties in interest are defined under Department of Labor's regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employers, and certain others. Fees related to the administration of notes receivable from participants and fees related to Qualified Domestic Relations Orders are paid to parties-in-interest. Other fees to parties-in-interest were paid from revenue sharing and plan assets.

The Plan held the following assets with parties-in-interest at December 31:

Party-in-Interest	Description of Investment	2017	2016
Charles Schwab Bank	Cash	\$ 8,155	\$ 7,894
Charles Schwab Bank	Money Market Deposit Account	4,238,525	4,251,041
First Busey Corporation	Common stock	1,250,264	1,370,049
First Busey Corporation	Stock Fund	9,689,696	9,543,375
Participants	Notes receivable	1,327,625	1,036,790

Certain administrative functions are performed by officers or employees of the Employers. No such officer or employee receives compensation from the Plan.

NOTE 5 - INCOME TAX STATUS

The Employers have adopted a non-standardized prototype plan designed by Benefit Planning Consultants, Inc. The Internal Revenue Service (IRS) has determined and informed Benefit Planning Consultants, Inc. by a letter dated March 31, 2014, that the prototype plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has not requested its own determination letter from the IRS. The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC. Therefore, no provision for income taxes is included in the accompanying financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods

in progress.

This information is an integral part of the accompanying financial statements.

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

December 31, 2017 and 2016

NOTE 6 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Employers have the right under the Plan to discontinue their contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, participants will become 100% vested in their accounts.

This information is an integral part of the accompanying financial statements.

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SUPPLEMENTAL SCHEDULE

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FIRST BUSEY CORPORATION PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i-SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2017

Name of Plan Sponsor: First Busey Corporation
 Employer Identification Number: 37-1078406
 Three-digit Plan Number: 002

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
Common stock and stock fund:				
*	First Busey Corporation	Stock Fund	# \$	9,689,696
*	First Busey Corporation	Common stock	#	1,250,264
				10,939,960
Mutual funds:				
	American Funds	Growth Fund of America	#	15,562,991
	American Funds	Income Fund of America	#	5,703,630
	Vanguard	500 Index Fund	#	15,119,109
	GMO	International Developed Equity Alloc	#	12,852,726
	DoubleLine	Core Fixed Income Fund	#	19,555,488
	American Beacon	Large Cap Value Fund	#	7,515,641
	AQR	Emerging Multi-Style	#	3,593,140
	Federated	Ultrashort Bond	#	2,489,780
	T. Rowe Price	Retirement Fund 2010	#	112,468
	T. Rowe Price	Retirement Fund 2020	#	5,407,151
	T. Rowe Price	Retirement Fund 2030	#	9,147,207
	T. Rowe Price	Retirement Fund 2040	#	7,193,313
	T. Rowe Price	Retirement Fund 2050	#	2,978,568
	T. Rowe Price	Retirement Fund 2060	#	196,670
	Congress	Mid Cap Growth Fund	#	5,264,788
	Virtus	Ceredex Small-Cap Val Equity	#	4,096,174
				116,788,844
Interest-bearing cash:				
*	Charles Schwab Bank	Money Market Deposit Account	#	4,238,525
Notes receivable from participants:				
*	Participant loans	Interest rates ranging from 3.25% to 6.50% and maturities ranging from June 2018 to September 2034	\$	1,327,625
				\$ 133,294,954

* Represents a party-in-interest.

Investments are participant-directed; therefore, cost information is not disclosed.

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustee (or other persons who administer the employee benefit plan) has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

First Busey Corporation Profit Sharing Plan and Trust

By: /s/ Carol Slough

Name: Carol Slough
Title: Executive Vice President, Human
Resources & Performance Management

Date: June 28, 2018

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**FIRST BUSEY CORPORATION
PROFIT SHARING PLAN AND TRUST**

**EXHIBIT INDEX
TO
ANNUAL REPORT ON FORM 11-K**

Exhibit No.	Description
23.1	Consent of CliftonLarsonAllen LLP