

Annual Report 2006



*Delivering exceptional service to
United States Postal Employees
and their families since 1925.*



It is my honor and pleasure to serve as Chairman of the Board of Directors for Atlanta Postal Credit Union. In 1925, U.S. Postal Service employees established APCU. Our founders had one vision – to provide affordable financial services to fellow employees and their families. APCU is a member-owned, not-for-profit financial cooperative, created for working people in need of a safe and sound place to save and borrow money. We operate solely for our members' benefit.

Employees, retired employees or family members or surviving spouses of active or retired employees of the United States Postal Service or other approved employer groups are eligible to join APCU. That means everyone in your family is eligible to join, too. So your mother, father, sisters, brothers, grandparents, aunts, uncles, cousins, sons, daughters, stepchildren, stepparents, nieces, nephews, in-laws and anyone living in your household are welcome here at APCU. It doesn't matter where in the world your family members live or work, they can all have access to APCU's convenient, money-saving financial services.

When you bring new members to APCU, the Credit Union is able to grow in size, strength and soundness. This gives us the ability to continually develop better products and more convenient services to make managing your hard-earned money easier.

Atlanta Postal Credit Union's commitment to meeting the needs of our members is what sets us apart from other financial institutions. Quite simply, we are people helping people to a better way of life.

Sadly, we lost one of our retired directors this year, Henry C. Oxford. Mr. Oxford began serving as a member of APCU's Board of Directors in 1955. He became Chairman of the Board in January 1962 and continued in that capacity until 1976. Mr. Oxford was a diligent and faithful volunteer and the Board of Directors, volunteers, managers and staff are sincerely grateful for the important contributions of time and talent Mr. Oxford made to the Credit Union.

We have maintained and take pride in our tradition of integrity, financial strength, long-term stability and service excellence. APCU enjoyed a successful year in 2006 and we anticipate carrying this tradition into 2007 and beyond. Your Board of Directors, managers and staff pledge continued efforts in pursuit of cooperation and service, and protecting the best interests of all our members.



Moses M. Spence
Chairman of the Board



Donald A. DeCinque
President

We are pleased to provide you with this year's Annual Report. 2006 marks the end of our 82nd year of service to members of Atlanta Postal Credit Union. Throughout the years we have made every effort to provide the best, most economical financial products available. The Board of Directors and entire staff have a clear direction because all of us understand that in order to be successful we must continually focus on and give outstanding service to each and every member.

The Credit Union ended the year with assets of \$1,476 billion and served over 93,000 members throughout the world. We are proud to be among the largest credit unions in the nation. With your help, we hope to continue growing at a steady rate while controlling expenses and operating the Credit Union as efficiently as possible.

Over the past twelve months we have seen moderate increases in interest rates. As in years past, APCU generally paid higher rates on certificate accounts, regular savings, and share draft checking accounts than other financial institutions. At your Credit Union, you can always count on a consistent return on your dollars. Our goal is and has always been to "give back" to our members in the form of higher returns on deposits, lower rates on loans and better member service.

At APCU you can be assured your money is safe because your funds are insured up to \$100,000 by the National Credit Union Administration. In addition, the NCUA increased insurance coverage in 2006 on Individual Retirement Accounts (IRAs) to \$250,000. This increase along with the Excess Share Insurance provided by the Credit Union makes the total coverage available on IRAs up to \$500,000.

I extend sincere thanks to the Board, committee volunteers, management and staff for their full support and dedication during this past year. Their loyalty and responsiveness to our members is one of the reasons Atlanta Postal Credit Union is the largest postal credit union in the country.





Atlanta Postal Credit Union makes funds available to all members in the form of loans. Credit Union management is challenged with developing and offering a wide range of loan programs while providing outstanding service and the lowest financing rates possible. The Credit Committee makes certain that loans are made prudently thereby safeguarding members' deposits. The committee also takes a leadership role in providing information, education and financial counseling to members.

Every year, APCU handles literally thousands of loan requests and 2006 was no exception. We ended 2006 with 26,100 loans to members amounting to total loan balances outstanding of \$619,295,589. The Credit Committee has the additional responsibility to ensure each and every member request is handled in an equitable manner and loan decisions are made in accordance with APCU's loan policies.

Late in 2005 and throughout 2006, the Credit Union organized and launched its new Business Lending Department located at our North Metro Branch. The

Business Lending Department is actively engaged in providing financing to our members for purchases of commercial vehicles, vans, freightliners, dump trucks, taxi cabs and even post office facilities. And because we are member focused we are able to provide extremely competitive rates and convenient repayment terms.

In 2006, APCU introduced performance based pricing that considers members' previous credit performance when determining individual loan rates. This system assists members in two ways. Those members who have an excellent history of meeting his or her financial obligations receive the very best rates APCU has to offer. Members who have experienced problems meeting their financial obligations in the past may still be able to be granted loans at the Credit Union only at a slightly higher rate. Under our previous loan program, these members may not have been able to qualify for a loan. With the introduction of performance based pricing we are able to meet the needs of more of our members than ever before.

The Credit Committee is made up of five volunteers: Katherine S. Brown, Chairman; George Lamar, Pat



Katherine S. Brown
Credit Committee

Little-Trever, J. T. Middlebrooks, and Roy Rainwater. The group meets twice weekly to review member applications, evaluate the decisions of the Credit Union's lending officers and audit previously closed loans. Committee volunteers are truly dedicated to improving the financial strength of each Credit Union member.

On behalf of the Credit Committee, I wish to express our appreciation for your support. We are grateful for the confidence you have shown in us and look forward to serving you in 2007. Our members may be assured the Credit Committee, Loan Department and staff will continue to provide exceptional financial support now and in the future.



H. Preston Mulkey
Supervisory Committee

The principal function of the Supervisory Committee is to make certain APCU is adhering to established state and federal laws and Credit Union Bylaws. The Committee confirms and validates that the financial information reported to the Board of Directors and members accurately reflects the fiscal condition of the Credit Union. The Committee consults with compliance, accounting and regulatory specialists to insure the integrity of the Credit Union is protected from compromise.

The Bylaws under which APCU operates directs the Supervisory Committee to complete a comprehensive audit of Credit Union operations every year. To comply with this directive, the Committee retained the services of Mauldin and Jenkins, Certified Public Accountants and Consultants, to conduct the 2006 audit. The Supervisory

Committee is pleased with the preliminary conclusions of the examination. The findings thus far are consistent with the Credit Union's long history of prudent financial management. The audit report is being prepared but the initial findings reveal no irregularities.

The Georgia Department of Banking and Finance along with examiners from the National Credit Union Administration also conducted their annual examinations in October. Again no irregularities were noted and we received an excellent report from these regulatory agencies.

The Committee is pleased to report that the Board of Directors has worked diligently and performed its' duties in a conscientious manner. Additionally, President DeCinque and his staff carried out their duties attentively and professionally while keeping the safety and soundness of the Credit Union as top priorities. By making sound decisions, establishing straightforward operating policies, and remaining always mindful of our members' interest, each individual member of the Board and staff has fulfilled his/her obligation to the membership.

To the volunteers who serve with me on the Supervisory Committee, James L. Cabe, Herbert W. MacNabb, Roy L. Matthews, and Robert L. Harris, CPA, I extend my sincere gratitude to each for his hours of hard work, personal commitment and dedication throughout the year.

As a Committee, we appreciate the opportunity to serve the members of Atlanta Postal Credit Union and look forward to carrying out our responsibilities again in 2007.



Board of Directors

Moses M. Spence
Chairman of the Board

Katherine S. Brown
Director and Credit
Committee Chairman

James L. Cabe
Director

Donald A. DeCinque
Director and Credit
Union President

David Disharoon
Director

Royce L. Jackson
Director and
Board Secretary

J. T. Middlebrooks
Director

H. Preston Mulkey
Director and Supervisory
Committee Chairman

Bud Wilkinson
Director

Sam B. Dowdy
Director Emeritus

Jack M. Wheeler
Honorary Director

Supervisory Committee

H. Preston Mulkey, Chairman
James L. Cabe
Robert L. Harris, CPA
Herbert W. MacNabb
Roy L. Matthews

Credit Committee

Katherine S. Brown, Chairman
George Lamar
Pat Little-Trever
J.T. Middlebrooks
Roy G. Rainwater



Statement of Financial Condition*as of December 31, 2006***Assets**

Loans	\$	619,295,589
Loan Reserves		(4,071,831)
Cash		3,027,538
Investments		823,874,850
Land and Buildings		143,878
Other Fixed Assets		1,283,433
Other Assets		32,196,438

Total Assets **\$ 1,475,749,895****Liabilities & Equity**

Accrued Dividends Payable	\$	422,096
Accounts Payable		4,910,111
Shares and Deposits		1,266,482,938
Reserves		23,467,709
Undivided Earnings		180,467,041

Total Liabilities & Equity **\$ 1,475,749,895****Statement of Income***as of December 31, 2006***Income**

Interest on Loans	\$	37,194,002
Income from Investments		31,830,129
Other Income		3,988,199

Total Gross Income **\$ 73,012,330****Distribution of Income**

Dividends on Shares	\$	20,423,177
Interest on Deposits		21,642,412
Required Reserve Transfer		1,075,617
Transfer to Undivided Earnings		8,442,716
Expenses		21,428,408

Total Income Distribution **\$ 73,012,330**

MAIN OFFICE

3900 Crown Road
Atlanta, GA 30380-0001
404-768-4126 Local
800-849-8431 Toll Free
404-669-2750 Fax

Office Hours

Monday-Friday
9:00 a.m.-4:00 p.m.

Telephone Service

8:30 a.m.-5:00 p.m.

DECATUR BRANCH

P.O. Box 803
Decatur, GA 30031
404-373-2646 Local
404-378-5642 Fax

Office Hours

Monday-Friday
9:00 a.m.-4:30 p.m.

Telephone Service

8:30 a.m.-5:00 p.m.

BULK MAIL CENTER

1800 James Jackson Pkwy., NW
Atlanta, GA 30369-9751
404-792-8560 Local
404-792-2512 Fax

Office Hours

Monday-Friday
9:00 a.m.-4:30 p.m.

Telephone Service

8:30 a.m.-5:00 p.m.

NORTH METRO BRANCH

Real Estate Department
Business Lending Department

P.O. Box 588050
North Metro, GA 30029-8050
770-921-7091 Local
800-849-8436 Toll Free
770-921-7186 Fax

Office Hours

Monday-Friday
9:00 a.m.-4:30 p.m.

Telephone Service

8:30 a.m.-5:00 p.m.

MACON BRANCH

VISA Department
900 Pio Nono Ave.
Macon, GA 31204-4059
478-746-4283 Local
800-849-8434 Toll Free
478-746-8999 Fax

VISA Card Services

800-599-7889

Office Hours

Monday-Friday
9:00 a.m.-4:30 p.m.

Telephone Service

8:30 a.m.-5:00 p.m.

Drive-Up Window Service

Monday-Friday
9:00 a.m.-4:30 p.m.

IBEW Branch

501 Pulliam St., Ste 350
Atlanta, GA 30312-2749
404-768-4126 Local
404-223-3322 Fax

Office Hours

Monday-Friday
9:00 a.m.-4:30 p.m.

Telephone Service

8:30 a.m.-5:00 p.m.

24-HOUR LENDING CENTER

800-371-6917

KEY TELLER SERVICE

In Atlanta 404-763-2728
In Georgia 800-822-0251
Outside Georgia 800-849-2728

INTERNET ADDRESS

Visit our Home Page at
<http://www.apcu.com>
e-mail: info@apcu.com

