

Atlanta Postal Credit Union

This credit union is federally insured by the National Credit Union Administration.

It is my honor and pleasure to serve as Chairman of the Board of Directors of Atlanta Postal Credit Union. Since 1925, APCU has served the financial needs of our members and their families. We have a strong tradition of people helping people to a better way of life.

We are pleased to report that Atlanta Postal Credit Union recorded another year of solid performance. We ended the year with \$2 billion in assets and over 106,000 members. The information presented during the Annual Meeting and the summary of APCU's 2013 financial results included in the Annual Report underscores the strength and stability of your credit union.

It is with great sadness we report that Atlanta Postal Credit Union's esteemed member of the Board of Directors, Roy L. Matthews, passed away on February 13, 2013 following a courageous battle with cancer. Mr. Matthews was elected to APCU's Board of Directors in 2007. He continued in that position for six faithful years. In addition to serving as a director, Mr. Matthews devoted ten years of service to the credit union as a member of the Supervisory Committee.

We are truly thankful for the unselfish contributions made by Mr. Matthews. He cared deeply about APCU and its members. We are grateful to Mr. Matthews for his many years of service. He is sincerely missed by each and every one of us.



Moses M. Spence Chairman of the Board

David "Jabo" Patterson, long time credit union member and volunteer, was appointed to APCU's Board of Directors to fulfill the unexpired term of Mr. Matthews. Mr. Patterson has been a member of APCU for over 40 years. He has been serving as a volunteer on the credit union's Supervisory Committee since 2008.

We are very pleased Mr. Patterson has agreed to share his skills and talents with us as a member of our Board. His loyalty and dedication to the credit union and its members is a valuable asset to our organization.

The Board of Directors, volunteers, managers and staff remain committed to keeping APCU a sound and strong credit union. We want you to feel confident that APCU will always put your best interests in the forefront. The year 2013 demonstrated once again that the values upon which Atlanta Postal Credit Union was established – long-term stability, fiscal strength, integrity, and service excellence – remain a solid foundation for growth. These values have served us well for nearly 89 years. For this reason, we can say with confidence that Atlanta Postal Credit Union is the financial partner you and your family can count on for greater financial security and peace of mind.

Thank you for choosing Atlanta Postal Credit Union as your financial institution.



Throughout our long history, we have remained committed to providing the best, most affordable financial products available while maintaining outstanding service levels. By making financial choices available that will allow members and their families to prosper, the Board of Directors, volunteers and staff work hard every day to help members face today's financial hurdles.

Despite the economic challenges during the past several years, we have continued to seek new avenues to enhance the service we provide to our members. To that end, in 2013, the credit union launched its Mobile Branch and Mobile Check Deposit services. APCU also enhanced our members' ATM experiences by adding access to an additional 23,000 surcharge-free ATMs nationwide. The credit union also provided members with the ability to choose their own personal identification number for their VISA® Debit card or ATM cards.

The credit union industry saw a significant change in the Credit Union Service Center (CUSC) network when it was announced that CUSC was rebranding. Now, known as CO-OP Shared Branching, the network has expanded to offer members more than 5,000 branches and over 2,000 self-service locations in all 50 states, Puerto Rico, Guam and military bases around the globe.

There has been large expansion in the credit union's list of eligible member groups. Through applications and approval by our regulators, APCU may now serve active and retired federal workers (civilian and military) in Georgia, and their families.



Donald A. DeCinque President and Chief Executive Officer

The credit union was also approved to serve the Greater Atlanta Postal Customer Council (GAPCC). The GAPCC's membership is open to all postal customers, business or individual, who use the services of the Postal Service within the Atlanta District. This allows APCU to provide its financial services to the employees of businesses, who are members of the GAPCC, located in Georgia.

In October, Asheville Postal Credit Union, with just over 700 members, was merged into APCU and their branch located at 591 Brevard Road, Asheville, NC, officially became APCU's newest branch — the Asheville Branch. With the merger, APCU has established its first

out-of-state location. North Carolina, with nearly 8,000 APCU members is second only to Georgia in the number of members we serve.

We are pleased to welcome these groups into the APCU family. We are very grateful for the chance to serve all of our members and their families, and we extend our sincere "thank you" to all of our members for the support shown us. I want to personally extend my sincere thanks to the Board, committee volunteers, management and staff for their full support and dedication during this past year. Together, we remain focused on what we can do for our members. Our goal is to ensure APCU remains our members' best choice for financial peace of mind now and in the years to come.



Credit Committee Report

The mission of the Credit Committee is to make certain the credit union is making the best use of members' deposits by lending those funds to fellow members. No matter what the need – from the purchase of a home to consolidating debts and everything in between – Atlanta Postal Credit Union makes funds available to all qualified members for just about any worthwhile purpose. It is the Credit Committee's responsibility to make certain members' requests are handled in an equitable manner and loan decisions are made in accordance with APCU's loan policies. To this end, the committee meets regularly to review member applications and audit the decisions of our lending staff.



Katherine S. Brown Credit Committee

Despite the slower than normal loan demand being experienced by financial institutions across the nation, APCU held almost

23,000 loans on the books in 2013. We ended the year with total loan balances outstanding of \$912,162,277. Our goal is always to protect credit union assets while providing our membership with the support they need during difficult times. As a result, APCU's charge-off rate is significantly below the national average for credit unions of our size.

In 2013, APCU offered low, affordable financing rates to our members in virtually every loan category. For example, members who financed a purchase or refinanced a vehicle with APCU, saved money with rates as low as 1.75% APR and easy repayment terms up to 60 months. Recreational vehicle and boat loan rates were dropped by 3% APR, across the board, to make purchasing affordable. Members who were in the market for a mortgage or Home Equity Line of Credit were offered valuable incentives to finance with APCU, and working in partnership with CU Members' Mortgage, the credit union began offering FHA and VA mortgage loans to meet the needs of our first time home buyers and veterans.

As Chairman of the Credit Committee, I am privileged to work with hard-working volunteers: George Lamar, J.T. Middlebrooks, Roy Rainwater and Betty Ranson. Pat Little, long time Credit Committee member, resigned from her duties in 2013. We appreciate the many years of service Ms. Little gave to the credit union and its members. Credit union member, Betty Ranson, replaced Ms. Little on the Committee, and we look forward to Ms. Ranson's contributions to the membership. We greatly appreciate the time and talent given by these individuals. They are each truly dedicated to improving the financial strength of every credit union member.

As we look toward the future, the Credit Committee, Loan Department and management staff will continue to seek new and innovative ways to assist members with their financing needs. Our objective remains constant: to provide financial support to our members, unparalleled by any other financial institution. We sincerely want to be the institution our members call first when they need to borrow money.

On behalf of the Credit Committee, I wish to express our appreciation for your support. Your Committee members pledge to continue providing exceptional assistance to you and your family now, and in the future. We thank you for your business and sincerely appreciate the confidence you continue to show in us.

Supervisory Committee Report

Atlanta Postal Credit Union's Supervisory Committee is a volunteer group comprised of Board-appointed credit union members. The committee's primary focus is to assist the Board by validating the integrity of the credit union's financial statements, internal controls, internal and external auditors and compliance with legal and regulatory requirements. The Supervisory Committee works diligently to make certain members' assets are secure through the implementation of sound financial policies, procedures and controls. To that end, we regularly collaborate with APCU's management team, our external auditors: Mauldin and Jenkins. Certified Public Accountants and Consultants: the National Credit Union Administration; and the Georgia Department of Banking and Finance to examine every aspect of the credit union's operation.



H. Preston Mulkey upervisory Committee Chairman

The National Credit Union Administration and Georgia Department of Banking and Finance conducted their annual examinations in September. The final report was presented to the Board at its regularly scheduled November meeting. The report states that the overall condition of the credit union remains satisfactory. Our external auditors, Mauldin and Jenkins, will perform their examination of APCU operations in January 2014. Their report will be delivered in April 2014.

As Chairman, I am fortunate to have had highly qualified individuals serve with me on the Supervisory Committee in 2013. The dedicated members are: Herbert W. MacNabb, John McCormack, David 'Jabo' Patterson and Robert L. Harris, CPA. I want to recognize the Committee members for their outstanding performance during the past year.

It is the opinion of the Supervisory Committee that APCU continues to be financially secure and operates in a manner that is consistent with the credit union's long history of prudent financial management. Your Board members continue to establish strong policies and make business decisions formulated to preserve members' assets. In addition, President/CEO DeCinque and his staff performed their duties diligently and professionally while keeping safety and soundness in the forefront. The Committee members are proud to be part of the APCU organization and we look forward to continuing this partnership with the Board, volunteers, management, staff and members in the coming year.

Financials



Statement of Financial Condition

as of December 31, 2013

Total Liabilities & Equity	\$ 2.032.971.170
Undivided Earnings	224,562,264
Reserves	14,120,359
Shares and Deposits	1,785,079,746
Notes Payable	0
Accounts Payable	9,069,147
Liabilities & Equity Accrued Dividends Payable	\$ 139,654
Total Assets	\$ 2,032,971,170
Other Assets	41,150,172
Other Fixed Assets	1,973,805
Land and Buildings	0
Investments	1,077,419,314
Cash	5,919,361
Loan Reserves	(5,653,759)
Loans	\$ 912,162,277
Assets	

Statement of Income

as of December 31, 2013

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Total Cross Income	Φ.	59 037 960
Other Income		6,717,221
Income from Investments		7,327,182
Interest on Loans	\$	44,993,557

Distribution of Income

Total Income Distribution

Distribution of lifeonic	
Dividends on Shares	\$ 6,808,350
Interest on Deposits	11,441,284
Interest on Borrowed Money	198
Required Reserve Transfer	5,416
Transfer to Undivided Earnings	8,542,370
Expenses	32,240,342

\$ 59,037,960

Board of Directors

Moses M. Spence Chairman of the Board

Katherine S. Brown Director and Credit Committee Chairman

Donald A. DeCinque Director, Credit Union President and CEO

David Disharoon Director

Rovce L. Jackson

Director and **Board Secretary**

J. T. Middlebrooks Director

H. Preston Mulkey Director and Supervisory Committee Chairman

David 'Jabo' Patterson Director

Bud Wilkinson

Director

Sam B. Dowdy Director Emeritus Supervisory Committee

H. Preston Mulkey, Chairman Robert L. Harris, CPA Herbert W MacNabb

John McCormack David 'Jabo' Patterson

Credit Committee

Katherine S. Brown, Chairman George Lamar J.T. Middlebrooks

Roy G. Rainwater Betty Ranson

Branch listing

MAIN OFFICE

3900 Crown Road Atlanta, GA 30380-0001 (404) 669-2750 FAX

DECATUR BRANCH

NETWORK DISTRIBUTION CENTER BRANCH

IBEW BRANCH

MACON BRANCH **VISA Department**

Hours of Drive-up Operation (this location only) Monday-Friday 9:00 AM - 4:30 PM



SOUTH DEKALB MALL CO-OP BRANCH

> Hours of Lobby Operation (this location only) Monday-Friday 9:00 AM - 7:00 PM

HUMAN SERVICES EMPLOYEES' BRANCH

ASHEVILLE BRANCH

Asheville, NC

Hours of Lobby Operation (this location only) Monday-Friday 8:30 AM - 5:00 PM 1:00 PM - 2:00 PM Closed

NORTH METRO BRANCH Real Estate Department **Business Lending Department** CONTACT US (404) 768-4126

(800) 849-8431 Hours of Lobby Operation Monday-Friday 9:00 AM - 4:30 PM Telephone Service Monday-Friday

24-HOUR LENDING **CENTER** (800) 371-6917

8:30 AM - 5:00 PM

VISA CARD SERVICES

(800) 599-7889 Member Services (800) 325-3678 Lost or stolen card assistance only

Web Site: www.apcu.com

General E-Mail: Info@apcu.com



