



FIRST CLASS SERVICE



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



APCU

Atlanta Post Office Credit Union

A TRADITION OF SERVICE
ANNUAL REPORT



Atlanta Postal Credit Union

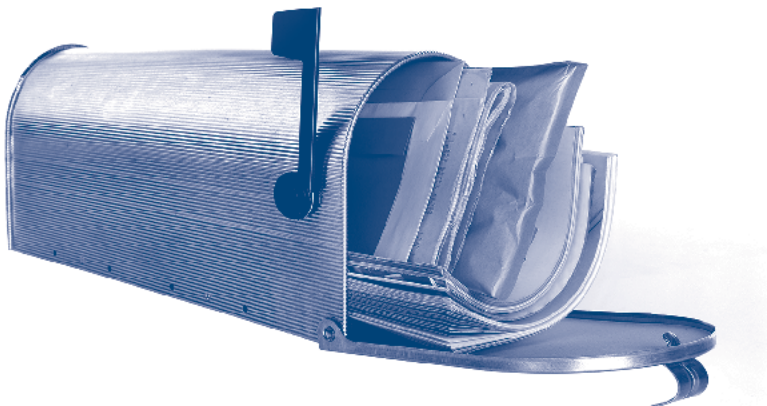
A TRADITION OF SERVICE

Mission Statement

To help our members achieve financial success by
providing exceptional products and service

Service Promises

- ★ I promise to be mindful of your time with fast, efficient, courteous, and friendly service.
- ★ I promise to demonstrate integrity in all of my interactions.
- ★ I promise to always treat you with dignity and respect.
- ★ I promise to work with fellow employees throughout the credit union to ensure you receive the best possible products, service and solutions.
- ★ I promise to safeguard the security and confidential nature of your financial information.
- ★ I promise to greet you with a smile and thank you for your business when your transaction is completed.
- ★ I promise to deliver on our mission to help you achieve financial success by providing exceptional products and service.



CHAIRMAN'S REPORT



*Moses M. Spence
Chairman of the Board*

On behalf of your elected Board of Directors, I am happy to report on the success of our credit union during 2015. Since our inception in 1925, our primary goal has been to serve the financial needs of members. In doing so, we fulfill our ultimate purpose, which all credit unions strive to achieve and for which we were ultimately established – people helping people.

Our 2015 results illustrate that APCU is a strong, sustainable, and efficient financial institution. We are confident in our ability to meet all of your financial product needs. But, we are far more than an institution that offers financial products and service. We are an institution whose employees dedicate themselves to doing what is right for our members.

Even as the Federal Reserve kept market interest rates near historic lows, we upheld our commitment to our members and consistently paid higher rates on savings, checking and certificate accounts. In most cases, APCU's rates were and continue to be significantly higher than those available elsewhere. And, equally important, deposits at APCU are insured by the National Credit Union Administration (NCUA), an agency of the United States Government, so your money is safe and secure.

Financially, it was another good year for APCU and its member/owners, as you will see in the financial section of this report. I'm pleased to point out that APCU is a well-capitalized financial institution, with a very strong capital ratio over 13%. To put this in perspective, a capital ratio of 7% is the industry standard for "well-capitalized" institutions.

As a financial cooperative, our success is your success. When you participate in the credit union, you are contributing to its growth. And, because of our cooperative structure, we can return our profits back to you, the owners and members, by offering competitive rates, new products, and enhanced services.

We extend a hearty welcome to the many new members who joined us in 2015 and we offer our gratitude to our existing members. We thank you all for your support as we continually strive to better the organization and remain well situated to meet your needs throughout all the stages of your life.

We vow to carry on our efforts in this regard. We hope our members will continue to let family and eligible coworkers know that APCU is the best financial partner option available to them.

We will always focus on people first. It's what makes your credit union different, and what makes us strong. On behalf of the entire staff, we look forward to a happy and successful 2016.

YOU ★ ARE
OUR
PRIORITY



PRESIDENT/CEO REPORT



*Donald A. DeCinque
President and Chief
Executive Officer*

On behalf of the management and staff of APCU, it is my privilege to deliver my report to you as President and CEO.

In 2015, the Board of Directors and senior management team focused on what has come to be known as “The Member Experience” initiative. This ongoing initiative addresses actions we believe are necessary to take APCU to a whole new level of member service. Our goal is to offer every member a service experience that is courteously and professionally delivered and that zeros in on the products each member needs to be financially successful. There

are many elements to this initiative and every employee, at every level, in every department, is participating and supporting this endeavor.

Many years ago APCU established its Mission Statement. As was the fashion at the time of its creation, the statement was quite lengthy and complex. In 2015, our Board revised the Mission Statement to be concise, understandable and more to the point. Our new Mission Statement, **“to help our members achieve financial success by providing exceptional products and service”**, has been embraced by our entire staff. In addition, we have adopted a set of service promises and behaviors to be delivered at every member contact point. Our goal is to support our members; one person at a time, one step at a time.

As part of this initiative, APCU began to unveil a new look and new logo. This fresh visual identity embodies APCU’s dedication, symbolizes our long tradition of service, and reflects our commitment to offering the best solutions for our members’ financial needs.

As we continue to meet our members’ needs with new products, numerous processes and strategies have been implemented so that we are well positioned for 2016 and beyond.

Technological advances and enhanced mobility are on the list of APCU’s achievements this past year. With the popularity of web-enabled smartphones among our members, we expanded our mobile service to allow members to pay bills, perform balance and transaction tracking, make mobile check deposits, transfer funds between accounts, and search for ATM and branch locations. These new features put your APCU account right at your fingertips.

Another piece of technology, APCU’s Online Application Center, was added to our internet home page. Members and prospective members are now able to start a new membership, add an account to a current membership or apply for a loan online by visiting our Web site at www.apcu.com.

EMV chip-enabled plastic card technology, including all debit and credit cards, has been tested and slated for release in the first quarter, 2016. Chip technology is designed to provide even greater security for our members. APCU Visa Platinum Credit Card holders will be the first to begin upgrading to chip-enabled cards. Visa Debit Card holders will begin receiving the chip enabled card this summer 2016. Members’ cards will be replaced with an EMV chip enabled card during the month and year of their normal expiration and reissue.

Looking into the future, it will not be business as usual at APCU. It is clear that the credit union’s success will be determined by how well we can ramp up our efforts, change with the times, and improve through innovation.

APCU is growing stronger by building on the successes of the past and never losing sight of our original purpose, that of helping members achieve financial success for themselves and their families. To that end, it has been an honor and a pleasure to assist over 110,000 credit union members as they work toward fulfilling their financial dreams.

I speak for our entire management team and staff as I thank you for your loyalty and support, and for allowing us to be your financial partner.



CREDIT COMMITTEE REPORT



*Katherine S. Brown
Credit Committee
Chairman*

The Credit Committee's mission is to make certain the credit union is making the best use of members' deposits when lending those funds to fellow members. The Committee ensures loans are made in a prudent and equitable manner, and according to APCU's lending policies. The Committee meets regularly to review and audit individual member and business loan applications and files. The year ended with total loan balances outstanding of \$1,121,612,795, an increase of more than 16% compared to last year.

During the previous twelve months, APCU remained focused on our guiding principle of "people helping people" by providing affordable financing rates for our members. Datatrac, an independent, third-party research firm that compares deposit and loan rates daily in 19,412 local, state and national markets across North America, reported that throughout 2015, APCU consumer secured loan rates were consistently lower than the U.S. average. Of the lenders in the U.S. that Datatrac researched, APCU's auto, boat, RV, credit card and Home Equity Line of Credit loan rates were lower which equates to hundreds, perhaps even thousands of dollars in savings for our members.

The Lending Department underwent a significant transformation during 2015. In our effort to achieve our goal to help members achieve financial success by providing exceptional products and service, the credit union contracted with a well-known industry expert to identify our strengths as well as point out opportunities for improvement. As a result of our evaluation, several important changes were implemented this past year.

First, APCU developed and introduced new performance-based loan rate pricing guidelines. This change was made to assist members in two ways. Members who have an excellent credit history are eligible for our very best rates. Members who have experienced issues with their credit performance in the past may now be able to qualify for financing thereby providing an opportunity to rebuild their credit rating. We believe our new guidelines enable us to meet the financing needs of more members than ever before.

The new guidelines also included a simplification of our rate structure. The credit union consolidated all loans that were classified as consumer secured loans and applied a rate structure that is the same for each type of security provided. So, all new and pre-owned consumer secured loans (auto, boat, RV, motorcycles, etc.) are now priced at the same low loan rates.

New lending platforms were installed to give consumer and mortgage loan underwriters and processors state-of-the-art software that streamlines the loan closing process. Also, APCU's online loan application service was upgraded to provide a fast, convenient means for members to apply for a loan wherever and whenever convenient for them.

APCU's entire consumer lending function has been centralized to a location near our Main Office in Atlanta. Additional loan sales representatives, underwriters, and processors have been hired and trained to work with members' to identify and offer products that make the members' lives easier and save them money.

Members across the country are responding positively to the changes. During the last three months of 2015, loan volume increased dramatically. We are confident that we are providing better service to our members and helping them achieve their individual financial goals.

As Chairman of the Credit Committee, I am privileged to work with hard-working volunteers: J.T. Middlebrooks, Tim Payne, Roy Rainwater, and Betty Ranson. We greatly appreciate the time and talent given by each of these individuals. They are all truly dedicated to improving the financial strength of every credit union member.

On behalf of the Credit Committee, I wish to express our appreciation for your support. We feel honored by the confidence you continue to show in us and look forward to serving you in 2016.



SUPERVISORY COMMITTEE REPORT



*David 'Jabo' Patterson
Supervisory Committee
Chairman*

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, the

committee regularly collaborates with APCU's management team and 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.

The National Credit Union Administration (NCUA) and Georgia Department of Banking and Finance (GDBF) conducted their annual examinations in June 2015. The NCUA and GDBF presented their final report to the Board at its regularly scheduled July 2015 meeting. The report states that the overall condition of the credit union remains satisfactory. Our external auditors, Mauldin and Jenkins, performed their preliminary examination of APCU operations in October 2015. Their final report is to be delivered to the Board during the second quarter 2016.

Two members of the credit union's Supervisory Committee resigned from their positions in 2015. Herb MacNabb and John McCormack stepped down because both families were moving away from the Atlanta area making it difficult for them to continue to serve on the Committee. We are grateful to Mr. MacNabb and Mr. McCormack for the commitment, dedication, insight and skill they brought to the Committee.

Mrs. Vanessa Meek and Mr. Jimmy Peck, longtime credit union members and retired United States Postal Service employees, were appointed to replace Mr. MacNabb and Mr. McCormack on APCU's Supervisory Committee. We are very pleased these individuals have agreed to share their knowledge and talents with us. We know their past experiences and enthusiasm will make them valuable assets to the Committee and APCU.

As Chairman, I am very fortunate to have had a highly qualified team of individuals serve on the Supervisory Committee in 2015. I want to thank each of them for their outstanding performances during the past year. The Committee members who served in 2015 are Robert L. Harris, CPA, Herbert W. MacNabb, John McCormack, Janet Spruell, Vanessa Meek, and Jimmy Peck.

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. Also, 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 working with the Board, volunteers, management, staff, and members in the coming year.

**YOU
DESERVE
SPECIAL
HANDLING**



FINANCIALS

Statement of Financial Condition as of December 31, 2015

Assets	
Loans	\$ 1,121,612,795
Loan Reserves	(7,265,732)
Cash	6,989,845
Investments	859,221,212
Land and Buildings	1,019,184
Other Fixed Assets	3,488,829
Other Assets	53,905,540

Total Assets	\$ 2,038,971,673
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Liabilities & Equity	
Accrued Dividends Payable	\$ 125,911
Accounts Payable	17,972,981
Notes Payable	0
Shares and Deposits	1,780,022,908
Reserves	6,256,644
Undivided Earnings	234,593,229

Total Liabilities & Equity	\$ 2,038,971,673
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Statement of Income as of December 31, 2015

Income	
Interest on Loans	\$ 44,394,632
Income from Investments	7,715,246
Other Income	8,125,255

Total Gross Income	\$ 60,235,133
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Distribution of Income	
Dividends on Shares	\$ 7,043,269
Interest on Deposits	9,173,977
Interest on Borrowed Money	0
Required Reserve Transfer	0
Transfer to Undivided Earnings	3,791,566
Expenses	40,226,321

Total Income Distribution	\$ 60,235,133
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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

Royce L. Jackson
Director and
Board Secretary

J. T. Middlebrooks
Director

H. Preston Mulkey
Director

David 'Jabo' Patterson
Director and Supervisory
Committee Chairman

Bud Wilkinson
Director

Sam B. Dowdy
Director Emeritus

SUPERVISORY COMMITTEE

David 'Jabo' Patterson,
Chairman

Vanessa Meek

Robert L. Harris, CPA

Jimmy Peck

Janet Spruell

CREDIT COMMITTEE

Katherine S. Brown,
Chairman

J.T. Middlebrooks

Tim Payne

Roy G. Rainwater

Betty Ranson

BRANCH LISTING

MAIN OFFICE

3900 Crown Road
Atlanta, GA 30380-0001

DECATUR BRANCH

520 W. Ponce DeLeon Avenue
Decatur, GA 30031

NORTH METRO BRANCH

1605 Boggs Road
Duluth, GA 30096-4600

NDC BRANCH

1800 James Jackson Pkwy, NW
Atlanta, GA 30369-9751

IBEW BRANCH

501 Pulliam Street, Suite 350
Atlanta, GA 30312-2749



MACON BRANCH

515 Mulberry Street, Suite 100
Macon, GA 31201-6306



SOUTH DEKALB MALL BRANCH

2801 Candler Road, Suite 81
Decatur, GA 30034



HUMAN SERVICES BRANCH

101 Marietta Street
(Centennial Tower) Suite 140
Atlanta, GA 30303

ASHEVILLE BRANCH

591 Brevard Road, Suite 232
Asheville, NC 28806



FLOYD COUNTY BRANCH

3040 Martha Berry Hwy NE
Rome, GA 30165



MEMBERS ALLIANCE BRANCH

6270 Bradley Park Drive
Columbus, GA 31904

HOURS OF LOBBY OPERATION

Monday - Friday
8:30 AM - 4:30 PM
Except for these branches:
South DeKalb Mall
9:00 AM - 7:00 PM
Asheville Branch
8:30 AM - 5:00 PM
Members Alliance Branch
9:00 AM - 5:30 PM

CONTACT US

(404) 768-4126
(800) 849-8431
Monday-Friday
8:30 AM - 5:00 PM

24-HOUR LENDING CENTER

(800) 849-8431

VISA CARD SERVICES

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

WEB SITE

www.apcu.com

GENERAL E-MAIL

Info@apcu.com

