



2007
ANNUAL
REPORT



**Publix Employees
Federal Credit Union**

REPORT TO MEMBERSHIP

We value our family of loyal members and work hard to meet your expectations. And, we are pleased to report that 2007 was another year of excellent progress for your Credit Union. We thank you for your continued, strong support, and we look forward to another great year with confidence.

OUR MISSION

The primary mission of Publix Employees Federal Credit Union is to provide quality service that meets the financial needs of its members, while maintaining a financially stable organization that adheres to generally accepted Credit Union operating standards.

Serving Our Members Since 1957

PRESIDENT'S MESSAGE

Your Credit Union just completed its 50th year of operation; 50 years of providing outstanding products and services to Publix associates and their families.

While we take great pride in what we have accomplished we know that we must continue to make changes so that our members have the most up-dated products available and the most convenient services to access their accounts. Your Credit Union continues to use technology to accomplish these goals.

Our Chairman's report highlights some of the changes made during the past year. I urge you to read all the reports in this report to gain a better understanding of what your Credit Union can do for you and your family.

The forecast for the coming year does not seem too bright. Talk of recession, higher gas prices, mortgage foreclosures seem to dominate the news everyday. This is why it is more important than ever for you to utilize your Credit Union for your savings and loan needs. Our goal is to keep our rates high for your savings needs and low for your loan requirements. Always check with us first.

It has been our pleasure to serve you in the past and we look forward to doing so again as we begin our next fifty years of operation.

Sincerely,

Joseph F. David

President/CEO

CHAIRMAN'S REPORT

Your Credit Union continued to grow and prosper in 2007. Members borrowed 151 million dollars, pushing outstanding loan balances to almost 312 million dollars at year end. Even though market interest rates increased during much of the year, your Credit Union did not increase loan interest rates to ensure that borrowing would remain affordable for our members. The Board approved and your Credit Union rolled out a new Youth Saver Certificate on May 1st of 2007. This new certificate is only available to children under age 18. The new certificate is a great way for parents and grandparents to help kids save for college and other future needs. As of December 31st there were over one thousand Youth Saver Certificates totaling 1.53 million dollars.

Membership increased in 2007 with the number of Credit Union member's right at 119,500.

In 2007 your Credit Union continued to add services that allow you to do your "banking" from the comfort of your own home. On-line member account statements were rolled out during the 1st part of the year. This service allows members that use home banking to view and print out their Credit Union account statements on demand from a secure web site. There is nothing more convenient than managing your Credit Union accounts through a PC or telephone. Get account information, do account transfers and much more, twenty four hours a day, seven days a week, through the Credit Union's Webb-It 24 and C.A.T. home banking and IVR telephone systems. We also provide free postage-paid bank-by-mail envelopes to members that need to mail in deposits. Add the convenience of *Presto!* ATMs and cash-back services where you work and you'll agree that your Credit Union can't be beat! And, direct deposit (payroll deduction) makes it easy to save money and make loan payments automatically each pay day.

Your Credit Union plans to open offices inside two Publix stores in 2008. This will mark the 1st time that your Credit Union will have an office inside a Publix store. The two stores are located in southeast Florida. The two new locations will allow the Credit Union to better serve members in that area. The new locations will only be available to PEFCU members and they will contain ATM machines that accept deposits. We believe that these offices will be successful and we hope to open additional offices in other Publix stores in other areas if/when the opportunities arise.

In closing I would like to remind all of our members to keep your personal information secure. Don't give identity thieves the opportunity to steal your personal information, your identity, your money and your good name. Shred all mail containing personal information before discarding it. Do NOT throw away credit card solicitation offers without shredding them and never give out personal information over the phone or the Internet to anyone! No government agency or your Credit Union will ever call or e-mail you for any reason and ask you to give out or confirm any personal or financial information over the phone or through the Internet. Also, be very leery of lottery and other Internet scams where someone sends you a check and asks you to wire part of the money somewhere. Many members have lost money when the checks were returned.

The Board, Committee Members, Management and Staffs of your Credit Union would like to thank you for your continued support.

With warmest regards,

Danny Risener
Chairman

REPORT OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is appointed by the Board of Directors and is responsible for the annual financial audit. To assist the Supervisory Committee, the Credit Union has selected the accounting firm of Crowe Chizek and Company LLC. The primary focus of the annual audit is to determine the completeness of financial statements and the ownership of assets and liabilities.

The findings indicate that the "2007" financial statements accurately represent the results of operation and the financial condition of the Credit Union. Federal examiners representing the National Credit Union Administration (NCUA) also conducted their required annual audit and found the general condition of the Credit Union to be financially sound.

Respectfully submitted,

Cindy White

Chair, Supervisory Committee

Committee Members

Lisa Merchant
Kindle Bowden

REPORT OF THE CREDIT COMMITTEE

The Credit Committee is appointed by the Board of Directors and is responsible for monitoring many quality control issues. This includes seeing that all loan applications are acted upon, that Loan Officers are appointed to review requests, and that any exceptions from Loan Officers are forwarded to the Committee for review. The Credit Committee has final approval authority on all loan applications.

The Credit Committee is pleased to report that delinquent loans continue to be below the national average.

Respectfully submitted,

Joseph F. David

Chairman

Committee Members

Robert Bregler

Lynn Kensinger

STATEMENT OF INCOME & EXPENSES

AS OF DECEMBER 31, 2007

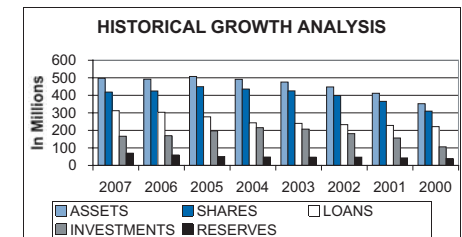
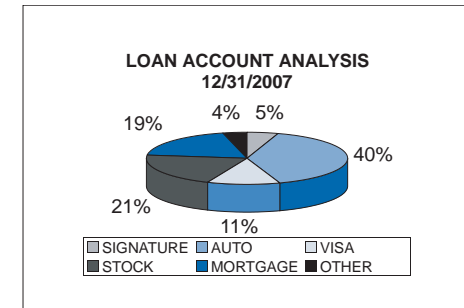
	2007	2006	INC.(DEC.)
TOTAL ALL INCOME			
INTEREST ON LOANS	\$21,070,795	\$19,545,137	\$1,525,658
INVESTMENT INCOME	\$7,809,237	\$7,225,325	\$583,912
OTHER INCOME	\$13,756,218	\$13,905,369	(\$149,151)
INVESTMENT GAINS (LOSSES)	<u>\$371,695</u>	<u>\$336,391</u>	<u>\$35,304</u>
GROSS INCOME	\$43,007,945	\$41,012,222	\$1,995,723
OPERATING EXPENSES:			
ADMINISTRATIVE	\$9,589,027	\$9,075,346	\$513,681
MARKETING & EDUCATION	\$439,310	\$408,872	\$30,438
OFFICE OPERATIONS	\$2,675,139	\$2,659,981	\$15,158
OFFICE OCCUPANCY	\$1,122,617	\$1,141,047	(\$18,430)
LOAN SERVICING	\$1,191,607	\$1,415,228	(\$223,621)
PROFESSIONAL SERVICES	\$1,383,291	\$1,492,585	(\$109,294)
EXAMINATION EXPENSES	\$99,582	\$104,492	(\$4,910)
DATA PROCESSING	\$4,691,028	\$4,664,772	\$26,256
LOAN LOSS PROVISION	\$2,167,550	\$1,971,949	\$195,601
MISCELLANEOUS EXPENSES	<u>\$400,371</u>	<u>\$573,901</u>	<u>(\$173,530)</u>
TOTAL EXPENSES	\$23,759,522	\$23,508,173	\$251,349
NET OPERATING INCOME:	\$19,248,423	\$17,504,049	\$1,744,374

STATEMENT OF FINANCIAL CONDITION

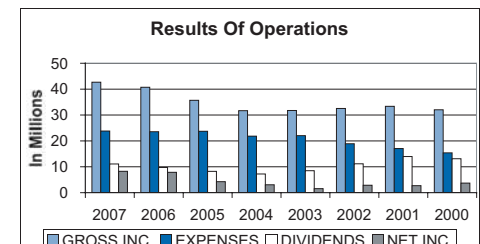
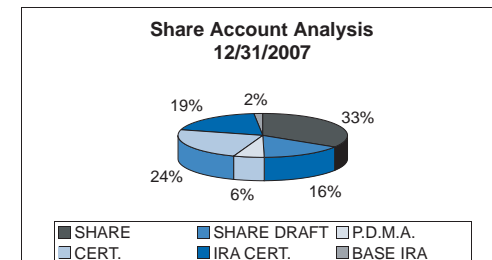
	2007	2006	INC. (DEC.)
ASSETS:			
LOANS (NET)	\$308,651,577	\$299,800,122	\$8,851,455
CASH	\$9,746,774	\$11,316,636	(\$1,569,862)
INVESTMENTS (NET)	\$167,159,956	\$168,258,847	(\$1,098,891)
FIXED ASSETS (NET)	\$3,321,006	\$4,071,390	(\$750,384)
OTHER ASSETS	<u>\$7,644,308</u>	<u>\$7,694,724</u>	<u>(\$50,416)</u>
TOTAL ASSETS	\$496,523,621	\$491,141,719	\$5,381,902
LIABILITIES:			
ACCOUNTS PAYABLE	\$1,069,408	\$1,155,612	(\$86,204)
OTHER LIABILITIES	\$8,182,885	\$7,130,511	\$1,052,374
TOTAL LIABILITIES	\$9,252,293	\$8,286,123	\$966,170
MEMBER EQUITY:			
MEMBER SHARES	\$417,971,038	\$424,154,810	(\$6,183,772)
CAPITAL	<u>\$69,300,290</u>	<u>\$58,700,786</u>	<u>\$10,599,504</u>
TOTAL MEMBER EQUITY	\$487,271,328	\$482,855,596	\$4,415,732
TOTAL LIABILITIES & CAP.	\$496,523,621	\$491,141,719	\$5,381,902

DISTRIBUTION OF NET OPERATING INCOME

	2007	2006	INC. (DEC.)
NET OPERATING INCOME:	\$19,248,423	\$17,504,049	
TO: DIVIDENDS	\$11,036,720	\$9,679,252	\$1,357,468
TO: CAPITAL	<u>\$8,211,703</u>	<u>\$7,824,797</u>	<u>\$386,906</u>
TOTAL DISTRIBUTION:	\$19,248,423	\$17,504,049	\$1,744,374



AS OF DECEMBER 31, 2007



49TH ANNUAL MEETING MINUTES

MARCH 29, 2007

President Joe David called the 49th Annual Meeting minutes of the Publix Employees Federal Credit Union to order at 5:15 p.m. in the meeting room of the credit union headquarters.

President David asked if a quorum was present, Executive Vice President Bob Bregler responded that 70 members were present, constituting a quorum. President David then appointed Rhonda Letchworth as Recording Secretary.

President David introduced the Charter Members that were in attendance and thanked them for their dedication to the credit union.

President David then introduced members of the board who were present: Danny Risener, Linda Hall, John Frazier, Terry Brigman and Emory Morris.

D. Risener gave the Chairman's Report. Chairman Risener stated the credit union was formed in 1957 to serve Publix associates and their family members. Chairman Risener then stated that the credit union and board are constantly looking for new ways to improve service to the members. He said that the credit union will be upgrading the Computer Access by Telephone (CAT) system this year and has recently added e-statements to the Webb-IT 24 home banking product to reduce mailing costs. Chairman Risener then announced that Publix has allowed the credit union to install an ATM and PC Kiosk in store #10 in Miami. The credit union hopes to install more of these semi-automated offices in additional Publix locations over the years. Chairman Risener announced that the board had appointed Bill Walters, Director of Merchandising to fill JoAnne Adams unexpired term. JoAnne Adams retired from the board after serving for 13 years as Secretary of the Board. Chairman Risener then thanked the Board, Supervisory Committee, Management and Staff for their dedicated and outstanding service and projected that this 50th year of operation would be our best year yet.

President David spoke of the growth of the credit union over the past 50 years and how the credit union will continue to grow with the new technology that will allow members many ways to conduct credit union business in the convenience of their homes.

Under New Business, a report was made on the election of directors. The Nominating Committee had nominated John Frazier, Terry Brigman and Linda Hall for re-election to the Board. Since there were no other nominations, B. Bregler cast one ballot for the election of each board member to three year terms on the board. President David asked for any new business to be brought before the meeting. There was none.

President David then presented Lynn Kensinger with a 30 year service award plaque and announced that Karen Bocaleri and Kathy Smith would also have 30 years of service and receive their plaques later this year. He then presented two 25 year service awards to Ann Duval and Brenda Hinman. President David then stated that the employee of the year was awarded to Kelly Henson in the Information Systems Department. Kelly has been employed at the credit union for nearly 23 years with an outstanding record.

There being no further business to be discussed, Linda Hall made a motion to adjourn the meeting: seconded by John Frazier. Motion carried and the meeting adjourned. President David invited everyone in attendance to stay for refreshments.

Respectfully submitted,

Rhonda D. Letchworth

Recording Secretary

UNIQUE PRODUCTS & MEMBER SERVICES

SAVINGS MADE EASY

Basic Share Account - Holiday Club Account - Special Club Account
All savings accounts let you enjoy the convenience of Direct Deposit and Payroll Deduction programs which automatically deposit funds from your paycheck into the accounts you designate. Best of all, with any PEFCU savings account, you'll earn money with higher-than-average dividends on your investment.

A CHECKING ACCOUNT WITH A DIFFERENCE

Earn dividends, save money, and enjoy ultimate convenience with our checking account. Save money with no minimum balance or monthly service charge. A CheckMate Debit Card is available for easy account access. Save money on returned check charges with free overdraft protection.

HIGH EARNING INVESTMENTS

Money Market Account - Share and IRA Certificates - Basic and Roth IRAs
Choose from a number of PEFCU investment opportunities and benefit from exceptional dividends.

LOW INTEREST LOANS FOR ANY WORTHWHILE PURPOSE

- Personal Signature
 - New Mobile Homes
 - Share Secured
 - VISA Classic, Gold & Platinum
 - New Furniture and Appliance
 - Charge/Credit Card Payoff
 - New and Used Vehicles
 - New and Used Boats and Recreational Vehicles
 - Home Improvement
 - Publix Stock Secured
 - Property
 - Publix Stock Purchase
 - First/Second Mortgages
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CONVENIENT ACCESS

To All Your Accounts - 24-Hours A Day – 7 Days A Week
■ Webb-It 24® Home Banking at www.pefcu.com
■ C.A.T. (Computerized Access by Telephone)

OTHER MEMBER SERVICE HIGHLIGHTS

- Teller Services
 - Cashiers Checks
 - Wire Transfers
 - Safe Deposit Boxes (available in Lakeland only)
 - Monthly Newsletters and Educational Materials
 - Emergency Money Service via Western Union
 - Money Orders
 - Group Auto Insurance
 - Notary Services
 - Signature Guarantees
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PECU INSURANCE AGENCY INC.

(A wholly-owned subsidiary)
■ Group Life, Cancer & Long Term Care Insurance

OFFICE HOURS

Monday – Friday 8:30am – 5:00pm

LOCATIONS

■ Lakeland Main Office

3005 New Tampa Hwy.
Lakeland, FL 33815
Mailing: PO Box 1000
Lakeland, FL 33802-1000
Phone: (863) 683-6404
Toll-Free: (800) 226-6673

■ Altamonte Springs Branch

482 East Altamonte Drive, Suite 1010
Altamonte Springs, FL 32701
Phone: (407) 260-1490
Toll-Free: (800) 822-4756

■ Pembroke Pines Branch

219 North University Drive
Pembroke Pines, FL 33024
Mailing: PO Box 848609
Pembroke Pines, FL 33084-0609
Phone: (954) 961-6667
Toll-Free: (800) 822-4573

■ Georgia Branch

59 South Peachtree Street
Norcross, GA 30071
Phone: (770) 613-0452
Toll-Free: (800) 822-4758

■ Jacksonville Branch

5870 Atlantic Boulevard
Jacksonville, FL 32207
Mailing: PO Box 8788
Jacksonville, FL 32239-0788
Phone: (904) 725-4662
Toll-Free: (800) 767-4618

■ Sarasota "Isle of Service"

8499 South Tamiami Trail #239
Sarasota, FL 34238
Phone: (941) 966-8623

■ West Palm Beach Branch

834 Southern Boulevard
West Palm Beach, FL 33405-2530
Phone: (561) 832-2629
Toll-Free: (800) 822-4597

C.A.T. (Computerized Access by Telephone)

Lakeland (863) 680-1733
Toll-Free (800) 226-7611



Internet
www.pefcu.com



We Do Business in Accordance With the
Federal Fair Housing Law and the
Equal Credit Opportunity Act

MANAGEMENT TEAM

Joseph F. David, President/CEO

Robert F. Bregler, Executive V.P./COO

Karen Boccaleri, CFO

Rhonda Letchworth, Executive Assistant

Patti Hayford, V.P. of Human Resources

Cheryl Boyd, Director of Marketing

Debbie Lineberger, Internal Auditor

Threasea Johns, V.P. of Lending

Sharon Johnson, Mortgage Manager

Lynn Kensinger, Loan Supervisor

Cheryl Harris, V.P. of Collections

Kris Johnson, Investments Manager

Michelle Lindsey, V.P. of Teller Services

Michelle Smart, V.P. of Member Services

Leila Lee, Call Center Manager

Lee Ashley, Card Services Manager

Kathy Smith, V.P. of Information Systems

Karen Sullivan, CIO/CSO

Rick Tamski, CISO

Nigel Gobourne, Information Technology Manager

Barbara Wholuba, Accounting Manager

Que Marti, Purchasing Officer

BRANCH MANAGERS

Theresa Soto, Altamonte Springs

Larry Sale, Jacksonville

Jan Eckstein, Norcross, GA

Karen Fleurima, Pembroke Pines

Maria Vargas, West Palm Beach

BOARD OF DIRECTORS

Danny Risener, Chairman

Linda Hall, Vice-Chairman

Emory Morris, Secretary/Treasurer

Johnny Davis, Member

Terry Brigman, Member

Bill Walters, Member

Jeff Chamberlain, Member

SUPERVISORY COMMITTEE

Cindy White, Chairperson

Lisa Merchant, Secretary

Kindle Bowden, Member

