



2024 - 2025

Imagine

HONOLULU FEDERAL CREDIT UNION
ANNUAL REPORT



HOCU
For a Brighter Future

ALOHA! As we reflect on the past year, we invite you to join us in imagining the possibilities that lie ahead. At HOCU, 2024 was a year of growth, community connection, and laying the foundation for an even brighter future.

Despite economic challenges, we're proud to report exceptional financial performance with remarkable growth in both income and total assets. We were especially pleased to have returned over \$5 million in dividends to our valued members, reinforcing our commitment to your financial well-being.

This year, we deepened our engagement with members and our community in meaningful ways. Our financial seminars attracted record attendance, helping members build pathways to success through enhanced financial literacy. We expanded our digital banking capabilities with the introduction of External Transfers, allowing you to easily move funds between financial institutions, and launched online account opening for new members to join our HOCU ohana more conveniently. These improvements enhance accessibility while maintaining the personal touch that has always defined HOCU.

journey is unique, and we're dedicated to providing practical solutions like financial counseling services and personalized loan options to turn your financial dreams into reality.

What truly makes HOCU special is our people – from our dedicated staff and management team to our passionate volunteers. Their tireless efforts and genuine care for our members deserve our deepest appreciation. We're equally grateful for you, our loyal members, whose continued trust and participation make everything we do possible.

As we look to the future, we ask you to imagine with us. Imagine a financial partner that continuously evolves to meet your changing needs. Imagine a credit union that not only helps you achieve your financial goals but also strengthens our entire community. Imagine what we can accomplish together when we combine innovation with our enduring commitment to people over profits.

We remain steadfast in our mission to help you build a secure financial future, and we're excited about the journey ahead. Thank you for being part of our HOCU ohana.

In our commitment to offering you the best value, we've maintained highly competitive rates on both loans and checking products. Our wide range of financial solutions - from our certificates to flexible auto loans - coupled with our consistently low fees, continues to set us apart in the marketplace. We recognize that each member's financial



MAHALO.

CHRISTOPHER JAY
Chairman, Board of Directors

MARK MUNEMITSU
President/CEO

CHAIRMAN'S AND PRESIDENT'S REPORT



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TREASURER'S REPORT

After reaching highs in 2023, interest rates fell by a full percentage point in 2024 as the Federal Reserve attempted to ease inflation down to its target rate of 2%. Honolulu Federal Credit Union (HOCU), working within a falling interest rate environment while dealing with rising operating costs, continued to perform well:

- Total loans increased by 3.1% over the previous year
- Total shares grew by 1.2%
- Total assets rose by 2.1%
- Total dividends paid was \$5.4 million or 56.9% higher than 2023

- Net income for the year was \$3.8 million, an increase of 28.8%
- The credit union's net worth remains strong at 11.9%

This financial success should be important to all members as it reinforces our strength and opportunities for future growth and innovation and is the result of the combined efforts of our staff, management, volunteers and our loyal members who continue to support HOCU by choosing us as their financial partners.

Many of Hawaii's residents continue to struggle with the high cost of living, while

others have opted to leave the islands reluctantly in search of affordability. We recognize that HOCU must continue to support our citizens and economy; please look to us for competitive dividend rates, lower loan rates, and more of the products and services that you need.

With 88 years of service in Hawaii, HOCU is ready to assist you with achieving your financial goals. We appreciate your patronage and thank you for being a member.

Aloha and mahalo,

DUDLEY KUBO
Secretary/Treasurer



SUPERVISORY COMMITTEE REPORT

In accordance with the requirements of the National Credit Union Administration, an audit of Honolulu Federal Credit Union's financial statements for the period ending December 2023 was conducted by Kobayashi, Kanetoku, Doi, Lum & Yasuda, CPAs, LLC, which rendered a clean opinion. The audit for the period ending December 2024 has begun and copies of the audit will be available upon request.

BOARD OF DIRECTORS

Christopher Jay
CHAIRMAN

Colin Chung Sandra Ng Warren Nakamura
Dudley Kubo Leila Kagawa Lianna Napuunoo

SUPERVISORY COMMITTEE

Annie Fletcher
CHAIRMAN

Alwyn Chikamoto Albert Pang
Randall Morita Kevin Nishimura

SENIOR MANAGEMENT

Mark Munemitsu
PRESIDENT/CEO

Ross Inouye
SENIOR VICE PRESIDENT





FINANCIAL STATEMENT

DECEMBER 31, 2023 & 2024

Balance Sheet

ASSETS (in thousands)	2023	2024
Loans	276,179	284,979
Allowance for Loan Loss	(3,250)	(3,241)
Cash	1,690	1,963
Bank & S&L Investments	36,832	39,337
Other Investments	48,667	45,973
Fixed Assets	10,859	10,390
Accrued Income	1,266	1,218
Other Assets	12,470	12,526
TOTAL ASSETS	384,712	393,145
LIABILITY & EQUITY	2023	2024
Accounts Payable & Liabilities	2,229	1,887
Notes Payable	1,700	1,700
Dividends Payable	0	0
Shares	342,207	346,624
Regular Reserves	0	0
Undivided Earnings	42,962	46,819
Unrealized Loss in Long Term Investments	(4,386)	(3,886)
TOTAL LIABILITY & EQUITY	384,712	393,145

HOCU FINANCIAL RATIOS

	2023	2024	% CHANGE
Average yield on loans	4.63%	5.48%	18.48%
Average yield on investments	3.55%	3.60%	1.21%
Average yield paid on deposits	1.03%	1.57%	51.71%

Statement of Income and Expenses

INCOME (in thousands)	2023	2024
Interest on Loans	12,051	15,388
Income from Investments	3,287	3,071
Other Income	1,467	1,567
TOTAL INCOME	16,805	20,026

EXPENSE	2023	2024
Salaries & Benefits	4,281	4,558
Office Occupancy and Operations	2,471	1,842
Professional and Outside	842	1,698
Loan Servicing	911	1,082
Provision for Loan Loss	1,480	1,269
Other Expense	376	332
TOTAL EXPENSE	10,361	10,781
Dividends	3,443	5,403
Other Non-Operating Gains and Losses	0	25
NET INCOME	3,001	3,867

PRODUCTS AND SERVICES

MEMBER ACCOUNTS

Share Savings Accounts
Kasasa Saver Accounts
Classic Share Draft Accounts
Kasasa Checking Accounts
ATM Cards
VISA Debit Check Cards
Money Market Accounts
Share Certificate Accounts
Super Share Certificate Accounts
Jumbo Share Certificate Accounts
Individual Retirement Accounts (IRAs)
Holiday Club Accounts

LOANS AND MORTGAGES

Auto Loans
Auto Green Loans
Solar Green Loans

Photovoltaic Green Loans
Student Loan Refinancing
One + Mortgage Loans
FHA Mortgage Loans
Share Secured Loans
Signature (Personal) Loans
Bill Consolidation Loans
VISA Rewards Credit Cards
Home Equity Lines of Credit
Fixed Rate Home Equity Loans
First Mortgage Loans
Second Mortgage Loans
VA Mortgage Loans

CONVENIENT SERVICES

NextGen ATM with Shared Branching
In-Lobby Teller (ILT)
with Shared Branching

Mobile Banking
24-Hour Online Banking
Popmoney Personal Payment Service
Online Bill Payment Service
24-Hour Apply for Loans Online
CO-OP Shared Branch + ATM Network
Payroll Deduction & Direct
Deposit Services
Online Account Opening

VALUE PRODUCTS AND SERVICES

Financial Planning
Accidental Death &
Dismemberment Insurance
Debt Protection
Wire Transfer Service
AutoSMART Online Auto Buying Resource
Guaranteed Asset Protection (GAP Plus)
Mechanical Repair Coverage

American Express Travelers Cheques
Safe Deposit Boxes
Notary Public Services
Medallion Signature Guarantee Services

BUSINESS ACCOUNTS & OTHER SERVICES

Business Share Savings Accounts
Business Money Market Accounts
Business Checking Accounts
VISA Debit Check Cards
Mobile Banking
Automated Teller Machines (ATMs)
Safe Deposit Boxes
Notary Public Services
Signature Guarantee Services
Wire Transfer Service
Business Certificates

LOCATIONS

MO'ILI'ILI BRANCH

2305 South Beretania Street
Honolulu, Hawaii 96826

FEDERAL BUILDING BRANCH

Prince Kuhio Federal Building
300 Ala Moana Blvd., #1-137
Honolulu, Hawaii 96850

AIRPORT BRANCH

Honolulu Main Post Office
3600 Aolele Street
Honolulu, Hawaii 96820

TRIPLER BRANCH

Tripler Army Medical Center
Oceanside, VA Headquarters
E-Wing, Room 1-C100
Honolulu, Hawaii 96819

EWA BRANCH

91-1717B Fort Weaver Road
Ewa Beach, Hawaii 96706





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