



VISION FOR ~~20~~₂₀ THE FUTURE



CHAIRMAN
AND
PRESIDENT

REPORT

CHRISTOPHER JAY
MARK MUNEMITSU



It seems as though 2019 came and went in the blink of an eye, and yet we know it was a year of many happenings.

March was our first event with the Blood Bank of Hawaii. Thank you to all of you who came out to donate to such an important organization; you could be saving a life!

In April we opened our first location on the west side of the island in ten years, next to the Zippy's Restaurant on Fort Weaver Road. We hope that you all had an opportunity to visit Kathy Yorong and her friendly, helpful staff in their beautiful branch. Also, HOCU held its annual Shred-It Day, which helps the community by safely destroying confidential documents and prevents them from falling into the wrong hands.

HOCU held its first Member Appreciation Movie Night at the Moiliili branch in July. A hundred individuals braved a little rain to enjoy food, giveaways and a movie—all in all, a great time was had by everyone.

August was a time of giving back to the keiki who represent our future. HOCU staff and members helped by raising more than \$2,800 to purchase school supplies and other items on teachers' wish lists, which were then presented to Kuhio and Ewa elementary schools.

And let us not forget the many other events held during the year to help our charitable causes and promote member education—Toys for Tots, our Keiki Miracle Day Christmas Bazaar, seminars and workshops and our International Credit Union Day celebration in October!

By the time you read this message HOCU will be well into a new decade. At times we don't know what to expect in the future, with the ups and downs of the economy, the ever-rising cost of living and our young people looking to the mainland for better opportunities and way of life. However, despite these challenges, there is one thing that you can count on—your credit union.

Since our beginning in 1936, we have always strived to provide excellent service at a reasonable cost to our members. That mission will continue, and we plan to add more innovative products and programs to make your lives a bit easier. After all, you have a thousand things to do and only 24 hours in a day; let us help you with your journey towards achieving your financial goals. Thank you for being a part of our journey.

VISION FOR THE FUTURE

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MAHALO.

CHRISTOPHER JAY
Chairman, Board of Directors

MARK MUNEMITSU
President/CEO



TREASURER'S

REPORT

LYDIA KAUAHA



For 2019 the Honolulu Federal Credit Union (HOCU) saw outstanding financial performances at many levels:

- Total loans increased by 12.6% over the previous year
- Total shares grew by 3.9%
- Total assets rose by 4.3%
- Net income for the year was \$1.84 million
- The credit union's net worth was 12.02%

Beyond the efforts of our management, staff and volunteers, our members are to be commended for their continuing support of the credit union, by looking to us first for loans and making regular deposits to their accounts. Without them, our successes would not have been realized.

With 83 years of service under our belt, HOCU is firmly poised to help our members far into the future. We invite you to tell your friends and family about us, and how we make a difference in the lives of our members. Aloha and mahalo.

LYDIA KAUAHA

Secretary/Treasurer

SUPERVISORY
COMMITTEE

REPORT

SANDRA LUKE

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 2018 was conducted by Kobayashi, Kanetoku, Doi, Lum & Yasuda, CPAs, LLC, which rendered a clean opinion. The audit for the period ending December 2019 has begun and copies of the audit will be available upon request.

SANDRA LUKE

Chairman, Supervisory Committee

BOARD OF DIRECTORS

Sandra Luke
CHAIRMAN

Lydia Kauha Sandra Ng Dudley Kubo
Wyman Au Timothy Titus Warren Nakamura

SUPERVISORY COMMITTEE

Albert Pang
CHAIRMAN

Colin Chung Sandra Luke
Annie Fletcher Uaaree Matsuda

SENIOR MANAGEMENT

Mark Munemitsu
PRESIDENT/CEO

Ross Inouye
SENIOR VICE PRESIDENT

VISION FOR THE FUTURE

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FINANCIAL STATEMENT



HONOLULU FCU FINANCIAL RATIOS

	2018	2019	% CHANGE
Average yield on loans	4.50%	4.56%	1.33%
Average yield on investments	2.00%	2.27%	13.50%
Average yield paid on deposits	0.03%	0.35%	16.67%

VISION FOR THE FUTURE

2020

DECEMBER 31, 2018 & 2019

Balance Sheet

ASSETS (in thousands)	2018	2019
Loans	167,487	188,704
Allowance for Loan Loss	(1,373)	(1,494)
Cash	1,605	2,063
Bank & S&L Investments	4,455	4,455
Other Investments	65,787	53,056
Fixed Assets	11,559	11,627
Accrued Income	798	702
Other Assets	7,561	9,997
TOTAL ASSETS	257,879	269,110
LIABILITY & EQUITY	2018	2019
Accounts Payable & Liabilities	1,050	1,007
Notes Payable	0	0
Dividends Payable	0	0
Shares	226,665	235,571
Regular Reserves	3,504	3,504
Undivided Earnings	27,003	28,847
Unrealized Loss in Long Term Investments	(343)	181
TOTAL LIABILITY & EQUITY	257,878	269,110

Statement of Income and Expenses

INCOME (in thousands)	2018	2019
Interest on Loans	6,941	8,104
Income from Investments	1,631	1,438
Other Income	1,164	1,251
TOTAL INCOME	9,736	10,793

EXPENSE	2018	2019
Salaries & Benefits	2,880	3,333
Office Occupancy and Operations	1,864	2,175
Professional and Outside	758	724
Loan Servicing	948	839
Provision for Loan Loss	413	467
Other Expense	443	522
TOTAL EXPENSE	7,306	8,060
Dividends	677	919
Other Non-Operating Gains and Losses	(55)	30
NET INCOME	1,698	1,844

PRODUCTS AND
SERVICES



VISION FOR THE FUTURE

LOCATIONS

MEMBER ACCOUNTS

Share Savings Accounts
Kasasa Saver Accounts
Classic Share Draft Accounts
Kasasa Checking Accounts with Rewards
ATM Cards
VISA Debit Check Cards
Money Market
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
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

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
Online Check Imaging
24-Hour Apply for Loans Online
CO-OP Shared Branch & ATM Network
Payroll Deduction & Direct Deposit Services

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
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

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