



**HAWAII CENTRAL**  
FEDERAL CREDIT UNION

# 2025 ANNUAL REPORT



**88th  
Annual  
Meeting**



# MESSAGE FROM CHAIRMAN AND PRESIDENT

As we reflect on the past year, we do so with gratitude for the continued trust our members place in our credit union. Throughout the year, we remained focused on our core mission in providing safe, reliable, and member-focused financial services while maintaining the long-term financial strength of the organization.

This year was marked by steady progress and thoughtful execution, with several initiatives introduced to enhance member convenience, access, and engagement. We launched ACH On-Demand, giving members the option to access eligible pending deposits earlier—providing greater flexibility and control over their cash flow. We also expanded communication channels by introducing the ability for members to text the credit union, making it easier to connect with our team in the way that works best for you. In addition to service enhancements, we were pleased to reintroduce valued member engagement programs.

The return of our free document shredding service and in-person educational seminars reaffirmed our commitment to supporting both the financial well-being and security of our members. We also launched a member referral program, creating new opportunities for members to share the credit union experience with family and friends.

# MESSAGE FROM CHAIRMAN AND PRESIDENT

Behind these initiatives was a continued emphasis on operational excellence, strong governance, and prudent risk management. Through ongoing investments in technology, process improvements, and internal controls, we reinforced the safety, soundness, and reliability of the credit union in an evolving regulatory and economic environment. Our employees remain central to our success. Their professionalism, adaptability, and dedication to member service enabled us to deliver these enhancements while maintaining consistent, high-quality service across all channels.

Financially, the credit union remained stable and well-positioned, reflecting disciplined management and responsible decision-making. This strength allows us to continue focusing on long-term value for our members.

Looking ahead, we remain committed to continuous improvement and delivering services that meet the evolving needs of our membership. On behalf of the Board of Directors and management, thank you for your continued trust and support. We are honored to serve you and look forward to the year ahead.



Neil Shimogawa  
Board Chairman



Gary Nakata  
Interim President

# SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is charged with overseeing the safety and soundness of Hawaii Central Federal Credit Union and ensuring operations are conducted in accordance with applicable laws and regulations, including those of the National Credit Union Administration (NCUA). Our role is to safeguard members' assets through independent oversight of financial reporting, internal controls, and regulatory compliance.

During the year, the Committee met regularly and engaged an independent audit firm to perform the annual financial statement audit. We reviewed the auditors' report with management and the Board and are pleased to report that the financial statements were fairly presented in all material respects. We also monitored internal audit activities and management's response to any recommendations to strengthen controls and processes.

Based on our reviews and the audits conducted, we believe the Credit Union remains financially sound and well managed.

We gratefully acknowledge the service of our committee members: Vice Chairman William Lane, Secretary Tracy Woo, Committee Member Darrel Lau, and Committee Member Alan Yasuda.



Fred Tsuda  
Supervisory Committee  
Chairsperson

# TREASURER'S REPORT

Aloha Members,

I am pleased to report that Hawaii Central FCU ended 2025 with net income of \$1.8 million, a significant increase over 2024's net income of \$268 thousand. So far in 2026, Hawaii Central seems to be well on its way to meeting the financial goals approved by your Board of Directors. At year-end, total assets reached \$299.7 million, up from \$293.6 million in 2024, reflecting steady growth and strong member confidence. Net loans outstanding increased to \$180.5 million, supported by sound underwriting practices and ongoing attention to credit quality. Loan demand remained healthy throughout the year while delinquency levels and credit risk were effectively managed.

During 2025, the Credit Union paid off all of its borrowings and returned to using its deposits as its primary funding source. Deposits at year-end totaled \$276.4 million.

The Credit Union's capital position remains a key strength. Total net worth increased to \$29.7 million at year-end, resulting in a net worth ratio of 9.91%, well above the regulatory threshold for a "Well Capitalized" credit union. This strong capital base provides stability and supports continued growth and the achievement of strategic initiatives. Your Board of Directors pledges to remain vigilant in watching over your funds and will continue to work with management to assist you in achieving your goals. Thank you for your continuing support of Hawaii Central FCU.



Mahalo,  
Sam Aucoin  
Board Treasurer

# 87TH ANNUAL MEETING MINUTES

## **CALLED TO ORDER**

The 87th Annual Meeting of Hawaii Central Federal Credit Union was called to order by Board Chairman Neil Shimogawa at 1:00 p.m.

Board Chairman Shimogawa called on Board Secretary Alan Yasuda for a quorum.

Travis Uchino: Those present were asked to raise their hand to show they had a purple wristband. Purple wristbands were given to attendees that were verified as members of HCFCU when they registered to vote in the Board elections. Select HCFCU staff went to each table to tabulate the number of members present. The total number was given to the Board in order to confirm that a quorum was established. Alan Yasuda stated there were 79 members present and there was a quorum.

## **MINUTES OF THE LAST ANNUAL MEETING**

Chairman Shimogawa stated there were the meeting minutes on pg.9 of the Annual Report from HCFCU's 86th Annual Meeting (there were some hard copies on each table and also a scannable QR code posted to access the 2024 Annual Report). Chairman Shimogawa asked if everyone reviewed the minutes and if there were any corrections to be made to them, there were none, so the minutes stood approved as circulated.

## **ANNUAL REPORTS**

Chairman Shimogawa advised people to refer to the Chairman's and President's message, Treasurer's report, and the Supervisory Committee's report within last year's Annual Report. He asked if there were any questions about them, there were none, so the reports were accepted as circulated.

## **UNFINISHED BUSINESS**

Chairman Shimogawa asked Secretary Yasuda if there was any unfinished business and he stated there was none. Chairman Shimogawa then asked Secretary Yasuda if there was any new business and there was none.

# 87TH ANNUAL MEETING MINUTES

Board voting results:

Chairman Shimogawa stated nominations were filed with the Board Secretary by the Board Nominating Committee on 1/14/2025. Nomination notices were sent out before 2/21/2025. Additional nominations were allowed for the membership by petition with a deadline at 5:00p 3/28/2025. No petitions were received by the deadline. The Nominating Committee submitted five nominees to fill three Board vacancies. Nominations from the floor are not permitted. Voting was held today in the lobby of the Pearl at Kalaulao. Those nominees were asked to stand when their names were called:

1. Ariel Chun
2. Blaine Hedani
3. Herb Hussey
4. Rhonda Nii
5. Fred Tsuda

The winners with a three-year term: Ariel Chun, Blaine Hedani, and there was a tie for the third position. Chairman Shimogawa called up Sam Aucoin (Board Treasurer/Nominating Committee Chairman) to explain the voting runoff process. Treasurer Aucoin explained there would be a run-off election to break the tie between Rhonda Nii and Fred Tsuda. All members present would have the opportunity to vote for either candidate. Members were verified earlier with a purple wristband. Those without a wristband could be verified with their membership and be issued a wristband. Voting will be using the same ballot process earlier using the same type of ballot but to vote for either Rhonda Nii or Fred Tsuda only. Each table was called up to vote with voting closed at 1:35 p.m. Votes were then counted and verified by select HCFCU staff and the voting results were given to Chairman Shimogawa to announce.

Chairman Shimogawa announced that Rhonda Nii was the winner of the third Board vacancy.

## ADJOURNMENT

A motion to adjourn the meeting at 1:48 p.m. was made, seconded and carried.



Neil Shimogawa  
Board Chairman



Alan Yasuda  
Board Secretary

# FINANCIAL CONDITION STATEMENT

ASSETS	12/31/2025	12/31/2024	CHANGE	% CHANGE
Loans to members	178,536,136	169,181,836	9,354,300	5.53%
Loans to CU Service Corp	1,943,730	2,233,062	(289,332)	-12.96%
Total Loans	180,479,866	171,414,898	9,064,968	5.29%
Allowance for Loan Losses	(735,223)	(853,202)	117,979	-13.83%
Cash	9,505,637	5,837,441	3,668,196	62.84%
Investments	88,034,280	97,282,769	(9,248,489)	-9.51%
Property & Equipment	3,623,909	3,874,960	(251,051)	-6.48%
NCUSIF Capital Deposit	2,615,926	2,504,710	111,216	4.44%
Other Assets	16,250,068	13,580,424	2,669,644	19.66%
<b>TOTAL ASSETS (\$)</b>	<b>299,774,463</b>	<b>293,642,000</b>	<b>6,132,463</b>	<b>2.09%</b>
<b>LIABILITIES</b>				
Accounts Payable	381,589	235,077	146,512	62.33%
Other Liabilities	931,149	10,414,133	(9,482,984)	-91.06%
<b>TOTAL LIABILITIES (\$)</b>	<b>1,312,738</b>	<b>10,649,210</b>	<b>(9,336,472)</b>	<b>-87.67%</b>
<b>EQUITY</b>				
Total Share Deposits	276,396,156	267,913,606	8,482,550	3.17%
Regular Reserves	1,840,546	1,840,546	(0)	0.00%
Unrealized Gain/(Loss) on Available for Sale Investments	(6,671,320)	(11,844,662)	5,173,342	-43.68%
Undivided Earnings (Net)	26,896,343	25,083,300	1,813,043	7.23%
<b>TOTAL EQUITY (\$)</b>	<b>298,461,725</b>	<b>282,992,790</b>	<b>15,468,935</b>	<b>5.47%</b>
<b>TOTAL LIABILITIES AND EQUITY (\$)</b>	<b>299,774,463</b>	<b>293,642,000</b>	<b>6,132,463</b>	<b>2.09%</b>

# INCOME AND EXPENSE STATEMENT

OPERATING INCOME	2025	2024	CHANGE	% CHANGE
Income on Loans (net)	9,304,167	9,263,539	40,628	0.44%
Gross Investments/Other	4,097,321	3,622,820	474,501	13.10%
<b>TOTAL OPERATING INCOME (\$)</b>	<b>13,401,488</b>	<b>12,886,359</b>	<b>515,129</b>	<b>4.00%</b>
LESS:				
Dividends to Members	4,165,972	3,827,869	338,103	8.83%
Other Interest Expense	95,055	1,116,566	(1,021,511)	-91.49%
<b>TOTAL INTEREST EXPENSE (\$)</b>	<b>4,261,027</b>	<b>4,944,435</b>	<b>(683,408)</b>	<b>-13.82%</b>
NET INTEREST INCOME	9,140,461	7,941,924	1,198,537	15.09%
Operating Expenses				
Salaries and Benefits Office	4,224,136	3,387,166	836,970	24.71%
Occupancy Office	409,333	510,414	(101,081)	-19.80%
Operations Education & Promotions Professional	497,401	555,135	(57,734)	-10.40%
Services Provision for Loan	97,683	125,337	(27,654)	-22.06%
Losses Other	673,666	383,754	289,912	75.55%
Miscellaneous	194,521	1,134,310	(939,789)	-82.85%
	1,568,194	1,577,810	(9,616)	-0.61%
<b>TOTAL OPERATING EXPENSES (\$)</b>	<b>7,664,933</b>	<b>7,673,926</b>	<b>(8,993)</b>	<b>-0.12%</b>
Other Non-Operating Income	337,514	17	337,497	1985276.47%
<b>NET INCOME (\$)</b>	<b>1,813,042</b>	<b>268,015</b>	<b>1,545,027</b>	<b>576.47%</b>



## Board of Directors

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Neil Shimogawa	Chairman
Rhonda Nii	Vice Chair
Sam Aucoin	Treasurer
Alan Yasuda	Secretary
Blaine Hedani	Director
Ariel Chun	Director
Garret Kawamura	Director

## Supervisory Committee

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Fred Tsuda	Chairman
William Lane	Vice Chair
Tracy Woo	Secretary
Darrel Lau	Member
Alan Yasuda	Member

### Member Services

(808) 536-3677

### Consumer Loans

(808) 536-0833

### Real Estate Loans

(808) 529-4599

NMLS #412820

### HawaiiCentral.org

Routing #321378990

### Main Branch

681 South King Street  
Honolulu, Hawaii 96813

Monday-Thursday: 8:00 AM - 4:30 PM  
Friday: 8:00 AM - 5:00 PM

### The Queen's Medical Center Harkness Branch

1301 Punchbowl Street  
Harkness Annex, Room 139  
Honolulu, Hawaii 96813

Monday-Friday: 8:00 AM - 4:30 PM  
CLOSED for Lunch: 1:00 PM - 2:00 PM



# MAHALO!

