



**HAWAII STATE**

FEDERAL CREDIT UNION

*always right by you*

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ANNUAL REPORT 2024

## 2024 Member Impact Summary

At Hawaii State FCU, being **always right by you** means doing things with purpose. Whether it's providing our members with convenient financial solutions and quality service, taking care of our employees, or being a good community partner and working to enrich the lives of all – we are proud of what we have accomplished together.



**ALWAYS RIGHT BY YOU**

**\$27.9M**

in share dividends given back to our members!



**ALWAYS CASH REWARDS**

**\$1M+**

in cash back rewards from our leading credit card.



**MAKING DREAMS POSSIBLE**

**\$438M+**

in loans approved to help turn dreams into reality.



**VOLUNTEERED SERVICE**

**1,440+**

hours of dedicated employee volunteer service.



**GIVING BACK TO OUR COMMUNITY**

**\$394k+**

donated to non-profits, scholarships and grants.



**FINANCIAL LITERACY**

**1,600+**

students received financial wellness education.

## President's Message to Members

At Hawaii State FCU, we strive to build relationships that enrich lives and empower a lifetime of personal and financial wellness for our members and community. This year, the credit union's work feels especially meaningful. Despite economic challenges and disruptions in the financial markets, Hawaii State FCU remains financially strong and strategically positioned to serve our members through difficult times.

On January 1, 2025 we welcomed the members of HMSA Employees' Federal Credit Union through a successful merger. We also expanded our branch network with our newest location in the **Waikale Safeway**, increasing convenience for members in Central and West Oahu. We opened a new **Investment Services Center** at our Queen Street headquarters, offering convenient, personalized financial planning support. Our commitment to exceptional member service continues with our newly renovated **Kaimuki Branch**, creating a more modern, welcoming environment to better meet your daily banking needs.

Last year, we returned nearly **\$28 million in dividends** through competitive share rates and awarded more than \$1 million in cash back to our Always Cash cardholder members. Our dedication extends beyond financial services, as exemplified by our inaugural **HSFCU Cares Day**, where more than 300 employees volunteered over 1,200 hours to support nine local nonprofits—highlighting our belief that our mission goes beyond banking.

These accomplishments are especially significant as we approach our **90th anniversary** in 2026—a remarkable milestone made possible by your loyalty and the dedication of our employees. At a time when many financial institutions are consolidating, Hawaii State FCU continues purposeful growth, grounded in our commitment to caring for our members.

April 12, 2025, marked my 13th year as President & CEO of Hawaii State FCU. And even after 13 years, I am honored and excited to serve in this role, leading such a celebrated and impactful local business. On behalf of our management team, I extend my heartfelt appreciation to our members, dedicated employees, and volunteer Board of Directors for your continued confidence and support. As we move forward in 2025, we remain committed to serving you with excellence and building a brighter financial future together.



Sincerely,

Andrew Rosen  
President & CEO

## Message from the Board of Directors

At Hawaii State FCU, our work as a Board is often quiet but intentional—focused on stewardship, integrity, and long-term sustainability. In 2024, that meant taking a close look at how we govern and how we give back.

As part of our commitment to continuous improvement, the Board conducted a governance assessment to identify the skillsets and experience needed to guide the credit union forward. While elections may influence the Board’s composition, the process reaffirmed our responsibility to lead thoughtfully and strategically.

Community impact also remained central to our work. We proudly supported initiatives aligned with our impact areas of Financial Literacy, Basic Necessities, and Kupuna:

- Our inaugural **HSFCU Cares Day** in October 2024, mobilized nearly 85% of our employees who volunteered at nine nonprofits—including *Hawaii Foodbank*, *Lanakila Pacific*, and *Aloha Harvest*. From delivering meals to hosting financial literacy workshops, this day reflected the spirit of our entire organization.
- In July 2024, our internal fundraising campaign, **Burgers for a Cause**, brought together employees to support wildfire recovery on Maui. Their generosity—alongside contributions from Hawaii State FCU and President and CEO Andrew Rosen—resulted in a \$25,000 donation to The Salvation Army Maui, symbolizing our continued commitment to the people of Maui.

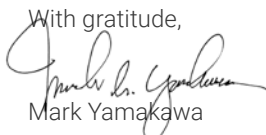
With these efforts and others, Hawaii State FCU contributed over **\$394,000 in charitable giving in 2024**—including support for nonprofit partners, scholarships, and grants—and provided financial education to more than 1,600 students across the state. These aren’t just numbers—they reflect the values we live by.

I’ve been a Hawaii State FCU member for over 28 years and a Board member since 2020. I’ve also served in leadership roles across Hawaii’s healthcare and nonprofit sectors. These experiences strengthened my belief that mission and strategy go hand in hand—an approach I am proud to bring to the credit union.

I also extend my sincere appreciation to Kaulana Park and Marion Higa, who served on the Board since 2015 and 2016, respectively. Their leadership has helped shape Hawaii State FCU’s success. And to Andrew Rosen and the dedicated team at Hawaii State FCU—thank you for your continued service to our members.

On behalf of the Board of Directors, I thank you for your ongoing trust. We are honored to serve and will continue to lead with integrity, vision, and aloha.



With gratitude,  
  
Mark Yamakawa  
Chairman of the Board

## Supervisory Committee Report

The Supervisory Committee is pleased to report that Hawaii State FCU continued to operate in accordance with sound financial principles and applicable laws and regulations in 2024.

The Supervisory Committee is comprised of volunteer credit union members appointed by the Board of Directors. Federal regulations require supervisory committees to ensure the board of directors and management of credit unions meet required financial reporting objectives and establish practices and procedures sufficient to safeguard members’ assets.

To fulfill our responsibilities, we contracted the certified public accounting firm of Moss Adams LLP to perform an independent audit of the Credit Union’s financial statements as of December 31, 2024, the report of which may be viewed upon request. The Supervisory Committee also oversaw the Internal Audit function, which reviews various Credit Union operations and controls throughout the year; monitored the activities of the Board of Directors and management; investigated member complaints; verified member accounts; interacted with the National Credit Union Administration’s (NCUA) examiners; and conducted special investigations or studies as considered necessary.



Sincerely,  
  
Judy Dang  
Chair of Supervisory Committee

## Financial Statements

### Statement of Financial Condition (Unaudited)

ASSETS	Dec. 31, 2024	Dec. 31, 2023
Loans Held for Sale	\$ -	\$ 796,331
Loans, Less Allowance for Loan Losses of \$10,516,859 in 2024 and 8,525,413 in 2023	\$ 1,342,208,296	\$ 1,216,182,555
Cash and Cash Equivalents	\$ 378,962,446	\$ 225,036,112
<b>Investments</b>		
Available for Sale	\$ 711,621,829	\$ 663,032,319
Equity Securities	48,965,544	45,624,377
Restricted	4,127,900	1,396,300
<b>Total Investments</b>	\$ 764,715,273	\$ 710,052,996
<b>Other</b>		
Accrued Income Receivable	\$ 7,557,468	\$ 7,003,323
Property Held for Sale	2,272,792	11,068,475
Property and Equipment, Net Depreciation	80,637,331	83,733,450
National Credit Union Share Insurance Fund (NCUSIF)	20,936,742	20,935,379
Restricted Cash	15,000,000	15,000,000
Right-of-Use Asset	11,148,218	12,095,656
Mortgage Servicing Rights	4,561,013	5,008,319
Company Owned Life Insurance	13,730,741	13,348,102
Split Dollar Insurance	42,495,226	42,328,451
Other Assets	20,096,238	17,114,454
<b>Total Other</b>	\$ 218,435,769	\$ 227,635,609
<b>TOTAL ASSETS</b>	\$ 2,704,321,784	\$ 2,379,703,603

LIABILITIES, SHARES AND EQUITY	Dec. 31, 2024	Dec. 31, 2023
Note Payable	\$ 60,000,000	\$ -
Accounts Payable & Other Liabilities	\$ 45,716,470	\$ 49,160,445
Total Shares	\$ 2,401,345,872	\$ 2,166,344,115
<b>Equity</b>		
Regular Reserves	\$ 29,435,000	\$ 29,435,000
Other Reserves	25,500,000	25,500,000
Undivided Earnings	173,742,625	155,367,051
Accumulated Other Comprehensive Income	(31,418,183)	(46,103,008)
<b>Total Equity</b>	\$ 197,259,442	\$ 164,199,043
<b>TOTAL LIABILITIES, SHARES &amp; EQUITY</b>	\$ 2,704,321,784	\$ 2,379,703,603

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## Financial Statements

### Statement of Income (Unaudited)

	Dec. 31, 2024	Dec. 31, 2023
<b>Interest Income</b>		
Interest on Loans	\$ 72,641,018	\$ 60,374,321
Income from Investments	24,512,486	16,603,427
<b>Total Interest Income</b>	\$ 97,153,504	\$ 76,977,748
<b>Interest Expense</b>		
Dividends Paid to Members	\$ 27,963,712	\$ 18,909,407
Interest on Borrowed Funds	160,481	593,491
<b>Total Interest Expense</b>	\$ 28,124,193	\$ 19,502,898
<b>Net Interest Income</b>	\$ 69,029,311	\$ 57,474,850
<b>Non-Interest Income</b>	\$ 23,347,024	\$ 23,136,982
<b>Non-Interest Expense</b>		
Compensation and Employee Benefits	\$ 42,089,480	\$ 40,688,306
Office Operations	10,290,417	9,752,723
Professional and Outside Services	7,437,700	6,955,125
Office Occupancy	6,717,660	6,467,618
Loan Servicing	4,454,966	3,580,848
Promotions & Advertising	2,344,324	2,642,250
Other Operating Expenses	3,829,377	3,229,489
Provision for Loan Losses	5,020,050	3,895,640
<b>Total Non-Interest Expense</b>	\$ 82,183,974	\$ 77,211,999
<b>Income from Operations</b>	\$ 10,192,361	\$ 3,399,833
<b>Non-Operating Income (Loss)</b>		
Gain (Loss) on Investment Sold	\$ 550,362	\$ (737,283)
Gain (Loss) on Property Sold	7,158,564	(15,940)
Other	474,287	987,264
<b>Total Non-Operating Income (Loss)</b>	\$ 8,183,213	\$ 234,041
<b>NET INCOME</b>	\$ 18,375,574	\$ 3,633,874

For a list of branches, visit  
**[www.HawaiiStateFCU.com/locations](http://www.HawaiiStateFCU.com/locations)**

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