

ANNUAL REPORT



**HAWAII LAW
ENFORCEMENT**
FEDERAL CREDIT UNION

In Memoriam to Roy Kunewa "Shadow" Helepololei

Dedicated Director of the Hawaii Law Enforcement Federal Credit Union



August 9, 1946 - March 18, 2025

We were deeply saddened by the passing of Roy Kunewa "Shadow" Helepololei. Roy's greatest strength as a director of the Credit Union was his thoughtfulness and compassion, added with a sense of humor. Roy contemplated each vote/decision involving the Credit Union with care, thinking of members, employees, and the continued viability and success of the Hawaii Law Enforcement Federal Credit Union. His Aloha for this Credit Union was instrumental in our continued growth, bringing on programs such as credit cards, home equity lines of credit, mortgage loans, home banking, mobile applications, two new branches, a new headquarters, and much more. Roy served the Credit Union for 34 years in several capacities, including Credit Committee Chairperson and Secretary, Board Vice-Chairperson, Board Treasurer, and Board Director.

Roy will always be remembered with fondness in his spirit of fun, love of family, especially wife Pamela, daughter Stacy, and three grandchildren, Brynn, Grace, and Aubree, and faith in Christ. We thank Roy's Ohana for sharing him with us. Roy will sincerely be missed, but his legacy will go on.



CHAIRPERSON AND PRESIDENT/CEO'S MESSAGE

Aloha Law Enforcement Ohana,

Last year, the Hawaii Law Enforcement Federal Credit Union remained 15th in asset size among the forty-five credit unions in Hawaii. While we recognized that we were not a community credit union, opened to all in the State of Hawaii, we stood proud to serve our law enforcement 'ohana.

Throughout the year, attention was focused on earnings to ensure that deposit and loan rates remain competitive for our members. The Board acted swiftly by adjusting certificate rates as the market deem necessary, which increased dividend expenses to members in 2025 by \$527,715, for a total of \$1,950,665 by year-end. Real estate and consumer loan rates were maintained at the already low rates from 2024, allowing members to finance their vehicle purchases and personal needs with no monthly increase in payments. In addition, the home equity line of credit and mortgage loan maintained low promotional rates in 2025.

Throughout 2025, we all experienced moments of uncertainty due to economic changes, government shutdowns, and increased tariffs. As a result of these changes, the Credit Union offered loan deferment plans for members affected by the government shutdown and continued with our annual skip-a-pay program where members could skip their December loan payments. By offering these programs to our members, we were able to lighten their financial burden and brighten their holiday spirit. We were also diligent in ensuring that we addressed accounts with incorrect addresses and inactive/dormant status, as we wanted to prevent members from incurring fees and safeguarding their money.

Supporting our law enforcement 'ohana is at the core of what we do. Last year, we were excited to participate in over thirty events related to law enforcement. These events allowed us to give back, connect, and celebrate alongside our members and their families. We believe that our engagement will strengthen our bonds and reflect our dedication to serve with gratitude. Our goal and vision continues to remain the same, to be our members' first choice to meet their financial needs. We believe that the Credit Union philosophy "We Serve to Honor" is what every employee exemplifies here at Hawaii Law Enforcement FCU.

Early last year, we lost Roy "Shadow" Helepololei, our dedicated Vice-Chairperson of 34 years. His commitment to public safety and community well-being left a lasting impact on those he worked alongside and the people he protected. His vigilance for our Credit Union was astounding, and he will be missed.

We know that you can select any other financial institution to save, borrow, and do other financial transactions, and we thank you for entrusting us with that opportunity.

With great respect and aloha,
Mark Nakagawa, Chairperson
Rene Matsuura, President/CEO



Mark Nakagawa,
Chairperson
(20 Years)



Robert Aton,
Vice Chairperson
(38 Years)



Derrick Tsukayama,
Treasurer
(26 Years)



Cary Okimoto,
Secretary
(16 Years)



Russell Ikeda,
Director
(26 Years)



Frank Fujii,
Director
(24 Years)



Corbin Matsumoto
Director
(5 Years)



Rene Matsuura,
CEO/President
(37 Years)

Statement of Income

For the Period Ending December 31, 2025

	2025	2024
Operating Income		
Interest on Loans	\$5,349,594	\$5,532,357
Interest on Investments	\$2,720,060	\$1,912,959
Fees and Charges	\$314,835	\$306,458
Miscellaneous Income	\$880,521	\$1,024,463
Total Income	\$9,265,020	\$8,776,236
Operating Expenses		
Compensation	\$2,259,501	\$2,497,269
Employee Benefits	\$609,545	\$621,082
Travel & Conference	\$14,734	\$13,703
Association Dues	\$34,429	\$36,543
Office Occupancy	\$849,237	\$901,797
Office Operations	\$652,934	\$670,518
Education & Promotion	\$114,623	\$136,162
Loan Servicing	\$441,629	\$459,105
Professional Services	\$969,629	\$906,492
Provision for Credit Losses	\$24,356	(\$97,438)
Member Insurance	\$14,883	\$20,565
NCUA Operating Fees	\$39,059	\$39,461
Fed Exam Fees	\$0	
Interest on Borrowed Funds	\$1	\$2
Annual Meeting	\$10,739	\$14,634
Miscellaneous	\$73,784	\$59,072
Total Operating Expenses	\$6,109,083	\$6,278,966
Net Income (Loss) from Operations	\$3,155,936	\$2,497,270
Gain (Loss) on Disposal of Assets	(\$326)	(\$1,194)
Net Income (Loss) before Dividends	\$3,155,610	\$2,496,076
Dividends	\$1,950,665	\$1,422,950
Net Income (Loss)	\$1,204,946	\$1,073,126

We certify, to the best of our knowledge and belief, this statement and the related statements are true and correct and present fairly the financial position and the results of operations for the period.

Financial Comparison

For the Period Ending December 31, 2025

Category	2025	2024	Difference	% Change
Assets	\$229,975,961	\$210,913,222	\$19,062,739	9.04%
Shares	\$200,702,420	\$185,566,240	\$15,136,180	8.16%
Loans	\$111,193,587	\$116,286,608	-\$5,093,021	-4.38%
Net Worth Ratio	12.92%	13.52%	-0.60%	-4.41%
Number of Members	14,196	14,600	-404	-2.77%

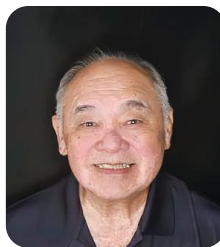
Treasurer's Report

In 2025, we took pride in pricing our certificate rates to reward our members for choosing Hawaii Law Enforcement FCU. The high-interest rate environment continued to provide opportunities for savers to take advantage of attractive certificate rates. As a result, the Credit Union saw the average rate on our member certificates increase from 3.91% in 2024 to 4.26% in 2025, causing total dividend expense to increase from \$1,422,950 to \$1,950,665 over the same period.

Although our rates were highly competitive, the Credit Union experienced a drop in total loan balance of just over \$5 million dollars in 2025. While managing the Credit Union requires a delicate balance between savers and borrowers, it remains our objective to return value to our members by offering equitable loan rates.

Despite rising dividend expenses, overall earnings remained stable at \$1,204,946. The Credit Union also witnessed offsetting improvement in interest income on investments, while diligently managing operating expenses. Due to unprecedented growth in assets, we experienced a slight decline in our net worth ratio of 60 basis points. We continue to remain in a strong capital position with our net worth ratio holding steady at 12.92%. According to the National Credit Union Administration, our federal regulator, we remained well capitalized. The net worth ratio is an important indicator of the safety and soundness of the Credit Union and continues to show that our members' assets are well protected.

We appreciate the continued support of our members and ask that you keep us in mind when financial needs arise.



Derrick Tsukayama
Treasurer
(26 Years)

Supervisory Committee Report

In the interest of the Hawaii Law Enforcement Federal Credit Union Membership, the Supervisory Committee ensured that the Credit Union used sound internal controls throughout the year by performing audits and retaining an external auditor, CU Pacific Audit Solutions. These audits were scheduled monthly, quarterly, or annually to deter unauthorized transactions and employee misconduct. As a result of our audits, we believe that members are receiving the care that they deserve.

Last year, the Supervisory Committee completed a **total of 151 audits** and continued to attend monthly board meetings, which provided us with an understanding of Credit Union's fiscal position, decision process, and the Board of Directors' intent to take care of the membership. We appreciate the Board for all the time and effort they spent during the year.

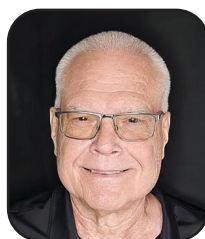
We thank you for allowing us to be of service to our Law Enforcement Ohana. Please feel free to contact us with any questions or concerns.



Scott Tamasaka
Chairperson
(14 Years)



Kent Harada
Secretary
(14 Years)



Dave Barnett
Member
(14 Years)



Carlene Lau
Member
(11 Years)



Matthew Kurihara
Member
(1 Year)

SENIOR MANAGEMENT TEAM



Rene Matsuura
President/CEO
(37 Years)



Dawn Kalili-lokia
Chief Operations Officer
(8 Years)



Mark Komatsu
Chief Compliance Officer
(5 Years)



Veronica Kanemaru
Operations Manager
(10 Years)



James Horiuchi
IT Manager
(7 Years)

SERVICE MANAGEMENT TEAM



Baha Suzuki
Mortgage Loan Manager
(4 Years)



Darien Sato
Loan Servicing Manager
(4 Years)

ADMINISTRATIVE TEAM



JoAnn Kwock
Administrative Assistant II
(35 Years)



Kanani Smythe
Administrative Assistant I
(9 Years)

Member Testimonials:

*"I'd like to recognize HLEFCU for their professionalism and "Service with a Smile persona! I visit the credit union quite often and I'm very satisfied with their customer service. They welcome you kindly and with a genuine heartfelt smile."
Awesome Team Effort. – Jason D.*

"Best credit union I have ever dealt with. Love the staff and the professional service. I highly recommend it! – Kathy O"

Our Commitment to the...

COMMUNITY

In 2025, Hawaii Law Enforcement FCU continued its steadfast efforts to support the law enforcement community. Building on the prior year, we had the pleasure of giving back to our law enforcement 'Ohana by attending and volunteering at over 30 events. These events include the ASIS Golf Tournament, Crimestoppers Gala, Police Memorial Walk, Honolulu Police Community Foundation Gala, Honolulu Police Retirees and 'Ohana Reunion, Heros and Helpers SHOPO Annual Meetings and much more. These community events honored the dedication and sacrifice of all law enforcement officers and as we continue to be your financial institution of choice, we will continue to serve to honor and to be there for all your financial needs.

Mission - The mission of the Hawaii Law Enforcement FCU is to serve the financial needs of our members by fostering relationships.

Vision - The Hawaii Law Enforcement FCU's vision is to be our members' first choice to meet their financial needs.

Brand Statement - We Serve to Honor

Values - We take ownership of our success. We solve problems and create opportunities. We are inclusive. We are committed to making a difference.





WE SERVE TO HONOR

Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

Federally Insured by NCUA
@hlefcu | #hlefcu

