



82nd
Annual Meeting

Saturday, February 16, 2019



2018
ANNUAL
REPORT



80th ANNUAL MEETING
Saturday, February 16, 2019
Ewa School Cafeteria

* Lunch - 11:00 A.M. * Meeting & Door Prizes to follow *

Business Meeting Agenda

- ❖ **Ascertainment of Quorum**
- ❖ **Approval or correction of 2018 Annual Meeting Minutes (Pg. 2-4)**
- ❖ **Reports/Messages:**
 - President (Pg. 5)
 - Manager/CEO (Pg. 5)
 - Treasurer/Financials (Pg. 6)
 - Loan Officer(s) (Pg. 6)
 - Supervisory Committee (Pg. 7)
- ❖ **New Business**
 - Announcements
 - Staff and Official Changes
 - Membership Awards
- ❖ **Election:**
 - Board of Directors (2) 3-Yr. Terms
 - Alan Bise (*incumbent*)
 - Sheryl Gushi (*incumbent*)
- ❖ **Other Business**
- ❖ **Adjournment**
- ❖ **Donation Prize Drawing**
- ❖ **Door Prizes - Grand Prize: \$500 Cash!**

2018 Annual Meeting Minutes

(Members gathered at 'Ewa Elementary School Cafeteria for the 11:00 A.M. event and received annual reports, pocket planners, pens, foldable nylon fans, bentos from Shiro's Saimin Haven, Keebler's Mini Fudge Stripes cookies and drinks.)

CALL TO ORDER:

The 81st Annual Membership Meeting of the 'Ewa Federal Credit Union was called to order by President Robert A. Midel at 11:47 A.M. on Saturday, February 17, 2018, in the 'Ewa School Cafeteria. Other directors present were: Sheryl Gushi, Carmen Manangan, Elaine Suyama & Alan Bise. Other volunteers and staff present were: Lilia Sugai, Rosemarie Itamoto, Robyn Jara, Rebecca Tubania, Lei Fernandez, Taylor Toribio and Kimberley Chong.

QUORUM:

Secretary/Treasurer, Sheryl Gushi, notified the President that approximately 351 members were present, constituting a quorum and certifying a legal meeting.

MINUTES:

As there were no corrections, the minutes of the last Annual Meeting held on Saturday, February 18, 2017 were approved as circulated.

REPORTS:

The following reports were accepted as circulated: President and Board of Directors, Manager/CEO, Treasurer, Loan Officers and Supervisory Committee reports.

NEW BUSINESS:

1. ANNOUNCEMENTS –

- **New Check Printing Provider: Check Printing Solutions:** 'Ewa FCU ended its long-time relationship with Harland Clarke as our check printing provider due to the rising cost of its products on January 28th. Check Printing Solutions (CPS) was founded in Chicago, Illinois and has been the check printing partner for over 275 financial institutions nationwide. CPS offers hundreds of high quality prints at more affordable rates than our predecessors, including create-your-own custom check designs using your personal pictures. Our basic check design integrates our history of being a sugar cane community. The membership were advised to contact the credit union to place their first check order with CPS and to see our Resource Center section of our website for more information.
- **Christmas Club Accounts:** Due to the rise in mail tampering and fraud, Christmas club checks will no longer mailed to better protect members' assets. All Christmas club proceeds will be available in your Primary Shares (savings) account beginning October 1st. Members were urged to call the credit union should you have any questions or concerns.
- **Volunteers Needed:** Vacancies still exist within the Supervisory Committee and Board of Directors. Members interested in taking a leadership role in the credit union were urged to see the Manager/CEO for details.

2. STAFF AND OFFICIAL CHANGES – Kimberley Chong was introduced as our new Temp. P/T Teller/Account Clerk. Outgoing Board Director, Elaine Suyama, was recognized as she will not be seeking another term as director. Her term expires in 2018. Elaine has served as a board member since 2000.

3. MEMBERSHIP AWARDS – There were seven members who joined 50 years ago in 1968 and one member who joined 75 years ago in 1943. These members were called to be recognized for their loyal membership throughout the years. Each member was presented with a certificate of appreciation and a shell lei.

50-year members were: Carlito Camat, Floy Kaku, Spencer Glipa, Dominador Dela Cruz, Stephen Glipa, Teodorico Dacquel, and Beatrice Tashiro. May Okamura was our 75-year member.

ELECTIONS:

There was one nominee, Alan Bise, running for election. Alan was appointed to replace Lilia Sugai who stepped down to join the Supervisory Committee in 2017. As there were no nominations from the floor, there was no voting process and the candidate was elected into office to serve the Lilia Sugai’s remaining term which expires in 2019 by acclamation.

OTHER BUSINESS: None.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 12:02 P.M.

SPECIAL DONATION FUNDRAISER:

The ‘Ewa FCU 80th anniversary eco-reusable shopping bags were sold for \$1 with all proceeds going to the Credit Unions for Kids/Kapiolani Children’s Miracle Network. All 161 shopping bags were sold and a donation of \$161.00 was sent to the Kapiolani Children’s Miracle Network.

DOOR PRIZES:

There were 115 prizes given away, including the following major prizes:

- 4th place Prize: \$100 Ka Makana Ali’i GC – Bryson Bucao
- 3rd place Prize: 32” Westinghouse LED TV – Darol-Jean Palmerton
- 2nd place Prize: Apple iTouch – Aydan Calloway
- 1st place Prize: Go Pro Hero 5 – Elaine Suyama
- Grand Prize: \$500 CASH – Allan Ponce

The 81st anniversary event concluded at approximately 12:47 P.M.

Respectfully Submitted,

Sheryl Gushi, Secretary-Treasurer

Message from the Board President

On October 26, 2018, we lost a very prominent pillar of our credit union community with the passing of Board President Robert A. Midel. For over 37 years, 'Ewa FCU had benefitted from Robert's steadfast leadership and his heart for its membership. We are grateful for the many contributions Robert has made to the credit union and he will be truly missed.

As acting President, I look forward to working with my fellow directors, volunteers, and staff to continue Robert's legacy to serve 'Ewa FCU members with the quality service that you deserve.

'Ewa FCU continues to be a safe and stable financial environment as our capitalized position remains strong, earning us the Bauer Financial 5-star superior rating for the 27th year in a row, recognizing 'Ewa FCU as being the "Best of the Best" and the "Best of Bauer", a feat accomplished by less than 5% of the nation's credit unions combined!

We look ahead to 2019 as another step in building sustainability for the future in our community.

Kind Regards,

Alan Bise, Acting President

Message from the Manager/CEO

We had another great year in 2018 thanks to the support of our 1,700+ members, and the dedication and commitment of our Board of Directors, volunteers and staff.

Our members are our biggest advocates in reaching new members in the community and when many of you inquired about the logo themed apparel like the ones worn by our volunteers/staff at the annual meetings and in the office, we decided to do something about it.

The 'Ewa FCU online store is now open and is located on our website. Once fully operational, the store will offer a variety of logo items for purchase to further promote the 'Ewa FCU brand wherever you go.

We continue to welcome your suggestions and feedback on how we can better serve you!

Mahalo & Aloha,

Robyn Jara, Manager/CEO

FINANCIALS

(For the Years Ending December 31)

	2018	2017	%
STATEMENT OF FINANCIAL CONDITION			
ASSETS			
Total Loan to Members	\$3,816,003	\$3,769,151	1.24%
Less: Allow for Loan Losses	-\$31,633	-\$25,652	23.32%
Cash	\$264,605	\$221,661	19.37%
Investments	\$8,532,583	\$9,057,895	-5.80%
NCUSIF Share Insurance Deposit	\$100,924	\$98,254	2.72%
Net Furniture & Equipment	\$2,267	\$2,285	-0.77%
Net Leasehold Improvement	\$0	\$0	0.00%
All Other Assets	\$42,624	\$37,856	12.60%
Total ASSETS	\$12,727,373	\$13,161,449	-3.30%
LIABILITIES AND EQUITY			
Accounts Payable	\$3,717	\$5,540	-32.90%
Other Liabilities	\$57,339	\$78,724	-27.16%
Net Member Shares & Deposits	\$9,652,628	\$10,092,383	-4.36%
Undivided Earnings	\$3,013,689	\$2,984,802	0.97%
TOTAL LIABILITIES PLUS EQUITY	\$12,727,373	\$13,161,449	-3.30%
STATEMENT OF INCOME			
OPERATING INCOME			
Interest On Loans	\$226,693	\$225,033	0.74%
Income from Investments	\$188,714	\$159,412	18.38%
Other Operating Income	\$75,300	\$58,415	28.90%
Total Operating INCOME	\$490,707	\$442,860	10.80%
OPERATING EXPENSE			
Employee Compensation & Benefits	\$178,075	\$176,746	0.75%
Travel & Conference	\$2,338	\$480	384.08%
Association Dues	\$4,271	\$3,203	33.31%
Office Occupancy	\$19,614	\$19,355	1.34%
Office Operations	\$27,609	\$26,785	3.08%
Educational & Promotions	\$4,922	\$1,933	154.61%
Loan Servicing Expense	\$13,622	\$14,061	-3.12%
Professional & Outside Services	\$143,463	\$121,664	17.92%
Provision for Loan Losses	\$49,848	\$46,416	7.39%
Members' Insurance (NCUSIF)	\$0	\$0	0.00%
Operating Fees (Exam & Super.)	\$3,476	\$2,939	18.29%
Annual Meeting Expense	\$2,632	\$3,874	-32.07%
Misc Operating Expenses	\$0	\$0	0.00%
Total Operating EXPENSES	\$449,870	\$417,456	7.74%
Net Operating Income/-Loss	\$40,837	\$25,404	60.75%
Non-Operating Income/-Expense	\$0	\$0	0.00%
Dividends to Members	\$11,950	\$12,465	-4.13%
NET INCOME/-LOSS	\$28,887	\$12,939	123.26%

LOAN OFFICER(S) Report

LOAN TYPE	NO.	2018	NO.	2017
College	1	\$3,500.00	3	\$10,500.00
100% Share-Secured	20	\$64,750.00	30	\$178,805.27
50% Share-Secured	7	\$9,452.74	7	\$10,151.30
New Auto	11	\$311,197.13	8	\$249,125.34
Used Auto	20	\$264,171.39	22	\$157,534.94
New Motorcycle	1	\$3,988.00	1	\$15,000.00
Used Motorcycle	0	\$0.00	0	\$0.00
Signature	186	\$776,327.31	185	\$742,987.97
Line-Of Credit Advances		\$136,261.54		\$155,698.15
New Loans Approved	246	\$1,569,648.11	256	\$1,519,502.97
Loans Refinanced		\$804,912.81		\$745,831.19
SUB-TOTAL	246	\$2,374,560.92	256	\$2,265,334.16
CDI/CL Premiums		\$54,549.49		\$58,310.41
TOTAL LOANS FINANCED	246	\$2,429,110.41	256	\$2,323,644.57
New Lines of Credit Issued	50	\$56,200.00	34	\$30,500.00
New Visa Classic Accounts	11	\$21,200.00	8	\$21,400.00
New Visa Platinum Accounts	7	\$34,500.00	4	\$25,000.00
Counter-Offer	16		19	
Outside Policy Exceptions	7		3	
Collateral Released	0		0	
Extensions	37		25	
TDR (Modified) Loans	0		0	
Declined Applications	0		3	

Supervisory Committee (SC) Report

The goal of the committee is to ensure your assets are protected to the best of our abilities, that all proper safeguards are squarely in place and that 'Ewa FCU's records are accurate.

To accomplish this, the SC hired CU Pacific Audit Solutions LLC to perform the annual independent audit of 'Ewa FCU's financial statements in accordance with Generally Accepted Accounting Principles and the National Credit Union Administration Supervisory Committee requirements.

The SC also implements its own Internal Audit Plan which included audits over the internal control structure of 'Ewa FCU to ensure proper internal control are in place and operating effectively.

The committee is pleased to report that 'Ewa FCU's has proper internal controls in place and its records are being kept according to industry standards.

Respectfully Submitted,

Rosemary Itamoto, Chairperson

BOARD OF DIRECTORS:

President (Acting) – *Alan Bise*
Vice-President – *Carmen Manangan*
Secretary-Treasurer – *Sheryl Gushi*
Directors: *Robyn Jara (interim)*

SUPERVISORY COMMITTEE:

Chairperson/Secretary – *Rosemary Itamoto*
Members – *Lilia Sugai & Kristen Jarra*

STAFF:

Manager/CEO – *Robyn Jara*
Operations Supervisor - *Rebecca Tubania*
Administrator Asst. – *Taylor Toribio*
Teller – *Shaene Gonzales*



P. O. BOX 60459 EWA BEACH, HAWAII 96706-7459

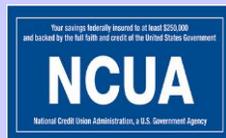
Phone: (808) 681-3033 | Fax: (808) 687-3948

Location: 91-1202A Renton Road, Ewa Village

New Hours 3/1/2019:

Monday-Friday, 8:30 AM – 4:30 PM

Email: info@ewafcu.com | Website: www.ewafcu.com



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