

2020 HIGHLIGHTS (CONTINUED)

VIRTUAL KEIKI HALLOWEEN COSTUME CONTEST

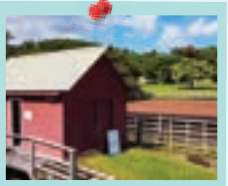


This year, we hosted our first Virtual Keiki Halloween Contest. It's members like you that make it so rewarding. Thank you to all who participated! We hope to host another contest in the near future!



HANA BRANCH TEMPORARY LOCATION

Towards the end of 2020, we received news that our Hana Branch location at the Old Hana School will undergo extensive improvements in the first quarter of 2021. We are pleased to announce that we have established a temporary location in Hana and are able to continue servicing our members in the community. A special MAHALO goes out to Hana Ranch Manager, Duane Lammers, for working with us in making this site available.



5670 Hana Hwy
Hana, HI 96713



Follow us on social media to join contests, take advantage of promotions, and stay up-to-date.

SUPERVISORY COMMITTEE REPORT

A comprehensive annual audit as of September 30, 2020 of books and records performed in accordance with the audit guidelines and procedures recommended in the Supervisory Committee guide for Federal Credit Unions was conducted by Kwock & Company, CPA's. From the information we have been given, it is the feeling of this committee that the elected officers, management and staff of Maui Federal Credit Union have performed their duties in a creditable manner and that the credit union is in a sound financial condition.

The Supervisory Committee continues to perform internal control reviews on a quarterly basis.

On behalf of all the committee members, we thank you for the opportunity to have served you.

Respectfully submitted,
Stacey Jio, Supervisory Committee Chairman

TREASURER'S FINANCIAL REPORT

STATEMENTS OF FINANCIAL CONDITION

Years Ended December 31, 2020 and 2019 (Unaudited)

ASSETS	2020	2019
Loans to Member	31,915,296	35,876,347
Less: Allowance for Loan Losses	(1,887,283)	(1,893,298)
Net Loans	30,028,013	33,983,049
Cash and Cash Equivalents	14,614,139	7,100,640
Investments	71,438,000	54,754,256
NCUSIF	977,993	827,950
Land & Building	2,984,728	3,043,077
Furniture and Equipment	127,574	40,041
Other Assets	1,955,019	1,702,206
TOTAL ASSETS	122,125,466	101,451,219

LIABILITIES	2020	2019
Liabilities - Accounts Payable & Other	85,637	421,312

EQUITY	2020	2019
Members' Shares		
Regular Shares	65,876,514	47,292,152
IRA Shares	7,393,205	5,950,865
Other Shares	1,331,039	1,196,796
Share Drafts	8,552,705	6,261,020
Share Certificates	21,998,248	23,517,047
TOTAL SHARES	105,151,711	84,217,880

Members' Equity	16,888,118	16,812,027
TOTAL LIABILITIES & EQUITY	122,125,466	101,451,219

STATEMENTS OF INCOME

Years Ended December 31, 2020 and 2019 (Unaudited)

INTEREST INCOME	2020	2019
Loans to Members	1,637,897	1,772,940
Investments	1,357,893	1,448,786
Total Interest Income	2,995,790	3,221,726

Members' Share Dividends	(522,090)	(473,908)
Net Interest Income	2,473,700	2,747,818
Provision for Loan Losses (PLL)	(35,792)	-

Net Interest Income After PLL	2,437,908	2,747,818
Operating Expenses	(2,690,611)	(2,553,703)
Net Income Before Other Income	(252,703)	194,115

OTHER OPERATING INCOME	2020	2019
Fees and Charges	367,335	405,435
Other	103,083	145,145
Total Operating Income	470,418	550,580
Non-Operating Income	(88)	-
NET INCOME	217,627	744,695

2020 VOLUNTEERS

BOARD OF DIRECTORS

Wesley Nohara – Chair
Beverly Kurokawa – Vice Chair
Clayton Fuchigami – Secretary/Treasurer
Doug Schenk – Director
Jodi Arisumi – Director

SUPERVISORY COMMITTEE

Stacey Jio – Chair
Stephanie Asato – Member
Elli Funakoshi – Member
Madelyn Bumanglag - Member



Visit Us Online



Main Branch

107 East Wakea Avenue, Kahului, HI 96732
Ph: (808) 873-5050 Fax: (808) 873-6211

✉ info@mauifcu.com
🌐 www.Mauifcu.com

For a List of Branches and Hours of Operation,
Visit www.mauifcu.com/contactUs.php



This credit union is federally insured by the National Credit Union Administration.



EQUAL HOUSING LENDER

MAUI

FEDERAL CREDIT UNION

Making It Happen

SERVING MEMBERS SINCE 1938

2020

ANNUAL REPORT





AGENDA

83RD ANNUAL MEETING

1. Ascertainment of Quorum (15 members)
2. Approval of 2020 Minutes
3. Report of Officers and Committees
 - a. Chairman's Report
 - b. Treasurer's Financial Report
 - c. Supervisory Committee Report
4. Unfinished Business
5. New Business
 - a. Nominating Committee Report – Beverly Kurokawa Board of Directors (3 year term) 2 to be elected
 - Jodi Arisumi
 - Doug Schenk
 - b. Election of Board
 - c. Other Business
6. Adjournment

2020 ANNUAL MEETING MINUTES

CALL TO ORDER

The 82nd Annual Meeting with 33 members participating was called to order by Chairman Wesley Nohara at 11:30 a.m. on Sunday, March 29, 2020 via teleconferencing. A total of 5 members which included Chairman Wesley Nohara, President/CEO Clayton Fuchigami, EVP Maile Gushiken, Operations Manager Pauline Tiu and one other member was present in the main office located at 107 East Wakea Avenue, Kahului, HI. Also, there was a total of 28 members who called into the meeting. The meeting had been changed to this venue, while still maintaining the original date and time announced, because of the COVID 19 pandemic and the State and County restrictions relating to social/business gatherings. Our federal regulator NCUA had issued an emergency exception to in-person quorum requirements, as it related to flexibility with the annual meeting, which allowed us to conduct the meeting this way.

INTRODUCTIONS

Chairman W. Nohara introduced Vice Chairman Beverly Kurokawa, Director Doug Schenk, Director Jodi Arisumi and Supervisory Committee Chairman S. Jio who had called into the meeting. Secretary/Treasurer of the Board who is also the President/CEO Clayton Fuchigami and Chairman Wesley Nohara were in the office for the introductions.

QUORUM

Since there were 33 members in attendance, Chairman Wesley Nohara ruled that we had a quorum to carry on the business meeting.

MINUTES

Upon motion duly made by Maile Gushiken and seconded by Pauline Tiu it was voted to accept the minutes of the 2019 Annual Meeting as printed in the Annual Meeting Booklet. Hearing no discussion the motion passed unanimously.

CHAIRMAN'S REPORT

Upon motion duly made by Maile Gushiken and seconded by Pauline Tiu it was voted to accept the Chairman's Report as printed in the Annual Meeting Booklet. Hearing no discussion the motion passed unanimously.

TREASURER'S REPORT

Upon motion duly made by Maile Gushiken and seconded by Pauline Tiu it was voted to accept the Treasurer's Report as printed in the Annual Meeting Booklet. Hearing no discussion the motion passed unanimously.

SUPERVISORY COMMITTEE REPORT

Upon motion duly made by Maile Gushiken and seconded by Pauline Tiu, it was voted to accept the Supervisory Committee Report as printed in the Annual Meeting Booklet. Hearing no discussion the motion passed unanimously.

UNFINISHED BUSINESS

No unfinished business at this time.

NEW BUSINESS

Election of Officers

Chairman West Nohara introduced Nominating Committee member Doug Schenk, who was recognized and gave the following nominations and report:

Board of Directors (3 year term) 1 to be elected

1. Beverly Kurokawa

The Nominating Committee report was accepted and Nominating Committee member D. Schenk turned the meeting back to Chairman W. Nohara.

Upon motion duly made by Maile Gushiken and seconded by Pauline Tiu, it was moved that we receive the report of the Nominating Committee.

Since there were no nominations by petition, and upon motion duly made and seconded, it was voted that the credit union cast a unanimous ballot for Beverly Kurokawa. The motion passed.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business, the meeting adjourned at 11:38 a.m.

Chairman Wes Nohara thanked everyone for participating in the business meeting.

Respectfully submitted,
Wesley Nohara, Chairman
Clayton Fuchigami, Secretary/Treasurer



CHAIRMAN'S REPORT

It would be a major understatement to say 2020 was not a normal year. As we witnessed and experienced hardship within our homes, families, local communities, and nationwide. This past year is one that will go down in the history books as the worse in generations and definitely, in our lifetime. It started with COVID-19, and it affected every aspect of our lives, including but not limited to, business closures, loss of jobs, financial struggles, hunger, sickness, death, mandatory health safety protocols, sports, schools, social and community gatherings, etc...



Maui Federal Credit Union experienced a difficult year like no other as well. Credit Unions like ours, exist because of its members. When something major like COVID-19 hits our community, we as your credit union gets impacted as well. Our staff has worked hard to find ways to help our members through these difficult times, while focused on protecting your personal safety and the financial wellness of your credit union.

Throughout 2020, we saw huge swings in our financial and institutional performance matrix. Our total assets grew by 20.38%, while our net income decreased by 70.78%. Our total loans decreased by 11.04% and investments grew by 30.20%. We saw the largest increase in asset growth in 2020 when the Federal stimulus checks were sent out. Normally asset growth is a good thing, but when deposits are received far beyond our loan demands; we are forced to turn to long term and short-term investments.

Rather than complain about the challenges that we as your credit union are faced with, we recognize that everyone is struggling and we need to adapt and find ways to help you, to get through these difficult times. Our proudest initiative in 2020 was we collaborated with the County of Maui and partnered with 5 other Maui chartered credit unions on implementing the Kokua Maui County Small Business Recovery & Relief Fund. Collectively, we were able to approve nearly 1,000 business grants and distribute roughly \$11.5 million to them.

2020 FINANCIAL PERFORMANCE:

- Total assets of \$122.1 million
- Total shares increased 24.86%
- Total loans decreased by 11.04%
- Net income of \$217,627
- Net Worth Ratio of 12.06%
- Investments increased by 30.20%
- Total operating expenses increased by 6.76%
- Membership decreased by 2.0%

Experts are forecasting improvements in our local economy by late summer 2021, as most people should have the opportunity to get vaccinated by then, expecting tourism to begin rebounding, and anticipating federal financial aid and stimulus funding. We must recognize that these are just projections, and there is still a tough road ahead of us. Listen to your government leaders and health experts, wear a mask, practice social distancing, avoid large gatherings, sanitize your hands often and get vaccinated when offered. Maui FCU supports you our members, our community, and our nation, together we will get through this.

Sincerely,
Wesley Nohara, Chairman



2020 HIGHLIGHTS

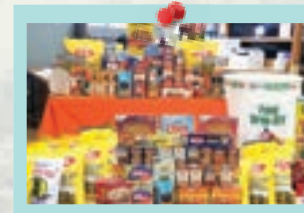
As we look back at 2020, it was a year unlike any other. We will continue to monitor reports of the potential impact of the COVID-19 in 2021. We want to assure you that Maui Federal Credit Union is here to serve your financial needs. Our main priority is the health and safety of our members and our team. We truly appreciate your membership and are grateful for the trust you have placed in us. In the coming year, we hope to launch products to help better serve you.

KOKUA MAUI COUNTY SMALL BUSINESS RECOVERY & RELIEF FUND

In August 2020, the County of Maui launched the Kokua Maui County Small Business Recovery and Relief program to assist small businesses impacted by COVID-19. The County collaborated with Maui FCU and five other Maui federally chartered credit unions to implement this program. We collectively assisted with distributing a total of \$11.5 million in grant money over a 6 month period to approximately 1,000 eligible small businesses.



HELPING MAUI FIGHTING HUNGER!



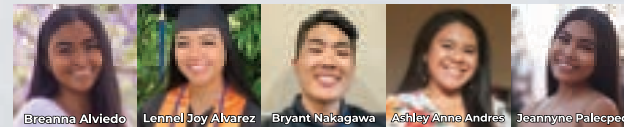
nearly **1,000 pounds of food** just in time for Thanksgiving.

VOLUNTEER INCOME TAX ASSISTANCE PROGRAM

We again participated in the free IRS Volunteer Income Tax Assistance (VITA) Program offering free income tax preparation to low-to-moderate income individuals and families. A total of 276 federal and state returns were completed resulting in \$168,774 total refunds.



HIGHER EDUCATION SCHOLARSHIP PROGRAM



We awarded five scholarships to eligible members who were selected through an application process.

Check mauifcu.com to find out more about this year's scholarship deadlines!