

2022

ANNUAL REPORT

A JOINT MESSAGE

From Our Board Chairman and President & CEO

As we reflect on 2022, we take pride in the ongoing growth and positive trajectory of SkyOne Federal Credit Union. From our humble beginnings in 1949 to the present day, our unwavering commitment to connecting our members with financial success remains steadfast.

In 2022, SkyOne Federal Credit Union achieved significant milestones in our pursuit of providing convenient member-focused solutions through a rewarding and effortless experience. We launched an enhanced and upgraded online banking platform and mobile banking app, empowering our members with advanced digital tools for managing their finances anytime, anywhere. Furthermore, we expanded our services by launching Zelle® money sending services, offering our members a convenient and secure way to send and

receive money. We remain committed to delivering innovative solutions that prioritize the needs and convenience of our valued members. We anticipate continued evolution of our products and services all with our members in mind.

In addition to these initiatives, we also established a new relationship with EverFi, a leading digital learning company that is transforming education. They are committed to preparing students for the future by equipping them with essential skills and knowledge for success. We share EverFi's vision of connecting education to the real world and opening new doors of opportunity for all. We are excited about this partnership with EverFi and the opportunities it presents to make a meaningful impact in the lives of students and communities we serve.

From our humble beginnings in 1949 to the present day, our unwavering commitment to connecting our members with financial success remains steadfast.



Theodore P. Byrne Ph.D., J.D.
Chairman, Board of Directors



Joseph E. Whitaker
President & CEO

SUPERVISORY COMMITTEE REPORT

Ensuring that our members' information and assets are secure continues to be our top priority. We continue to go above and beyond federally mandated audits and conduct extensive tests and audits to help strengthen our commitment to responsible and secure financial practices. The audit firm of Moss-Adams, LLP performed an Opinion Audit for the twelve months ending on June 30, 2022. We are pleased to report that the results of the Opinion Audit by the audit firm of Moss-Adams, LLP, have determined the Credit Union to be financially sound. In addition to the audits performed by our regulator (NCUA) and Moss-Adams, our Risk Management team conducted numerous internal audits and compliance reviews throughout the year.

Info@Risk, which specializes in information security assessments, continued conducting extensive security analysis of our computer and

network systems, including penetration and social engineering testing. CastleGarde, another third-party company that provides security assessment services, also performed external vulnerability tests on our network. We are pleased to report that our security controls were effective in preventing access to our network and computer systems and have declared our network infrastructure to be secure. Although we feel that we are already adequately protected from the ever-growing cybersecurity threat landscape, SkyOne continues to take proactive steps in enhancing our internal processes and technology to ensure the safety of members' information, including system upgrades and enhanced training for employees.



Robin Rush

Chairperson, Supervisory Committee

SPECIAL THANKS

To the following employees for their dedication in serving our members.

OVER 5 YEARS

Elizabeth Chavez
Mayra Daigneault
Eric Orantes
Patricia Perez
Lori Scantlebury
Ohlene-Gia Lacno
Marvin Sarmac
Earl E. Gales III

OVER 10 YEARS

Trina Alli
Melinda Barmore
Rodney Brown
Maria Freeman
Adriana Gonzalez
Armando Gonzalez
Francisco Merino
Daniel Mostovoy
Cesar Ramos
Crystal Stokes
Paul Rivas
Elizabeth McMichael

OVER 15 YEARS

Armando Gonzalez
Melinda Barmore
Cesar Ramos
Maria Cristina
Hartmark
Crystal Stokes
Rodney Brown
Maria Perez
Trina Alli
Francisco Merino

OVER 20 YEARS

Kathleen Cunico
Bambi Louie

OVER 25 YEARS

Anni Haroutunian
Ismael Rodriguez
Kelly Chaves
Alma Rodriguez

OUR MISSION

Delivering meaningful financial solutions tailored to our members' needs.



\$885 Million
in Total Assets



54,539
Members



Over 70 Years
Serving Members



66,000+ ATMs and 4,000+ CO-OP
Shared Branches Nationwide



24/7 Access Via Online
and Mobile Banking

As of December 31, 2022

1949

8 charter members
established CAA Region
6 Federal Credit Union

2010

We became SkyOne
Federal Credit Union

2019

We updated our
charter to allow us to
serve more members

2022

New online banking
platform and mobile
banking app



Credit Unions

VS



Banks

Ownership	Not-for-profit; owned by members of the credit union	For profit; owned by select group of stockholders
Profits	Earnings are returned to all members through better rates and fewer fees	Profits go to select stockholders in the form of dividends
Rates	Higher interest rates on deposit accounts	Lower interest rates on deposit accounts
Fees	Lower fees	Higher fees
ATMs	66,000+ CO-OP Shared Branches nationwide	15,700+ branches combined (Wells Fargo, Chase, and Bank of America)
Insurance	Insured up to \$250,000 through the NCUA	Insured up to \$250,000 through the FDIC



Financial Solutions Tailored to Members' Needs

- › Savings & Checking
- › Auto Loans
- › Credit Cards
- › Home Loans
- › Consolidation Loans
- › Wealth Management



Accelerating Growth through Digital Transformation

In 2022, we

- › Launched AI-powered Chat Bot, Skye
- › Launched a new online banking platform and mobile banking app
- › Launched Zelle® money sending services



Promoting Financial Education

- › Free financial counseling and online resources for all life stages
- › Financial Planning and Government Benefits workshops
- › EverFi that teaches practical financial skills to young adults

COMMUNITY

We Proudly Support



AFFINITY PARTNERS

We Proudly Serve



Transportation Security Administration



Los Angeles World Airports

Comparative Statement of Financial Condition

	2022	2021	2020
Assets			
Cash	115,328,865	42,679,875	61,163,868
Investments	85,089,854	104,026,883	71,628,230
Loans	638,291,603	515,781,801	427,677,218
Allowance for Loan Losses	(4,124,879)	(8,280,341)	(8,781,733)
Fixed Assets	7,787,254	8,498,374	8,513,214
Other Assets	42,194,562	40,701,526	43,684,852
Total Assets	\$884,567,259	\$703,408,118	\$603,885,649
Liabilities			
Members' Deposit Accounts	801,071,029	616,484,455	495,517,058
Other Liabilities	38,718,560	36,583,275	61,494,263
Total Liabilities	\$839,789,589	\$653,067,730	\$557,011,321
Equity			
Regular Reserve	4,391,442	4,391,442	4,391,442
Undivided Earnings	49,797,884	44,278,381	40,022,312
Equity Acquired from Merger	5,734,532	5,734,532	5,734,532
Unrealized Accumulated Comprehensive Gain/(Loss)	(15,146,188)	(4,063,967)	(3,273,958)
Total Equity	\$44,777,670	\$50,340,388	\$46,874,328
Total Liabilities and Equities	\$884,567,259	\$703,408,118	\$603,885,649

Comparative Income Statement

	2022	2021	2020
Revenues			
Interest on Loans	29,683,206	23,929,768	19,967,119
Interest on Investments	2,873,016	783,711	1,452,581
Other Income	9,716,113	6,901,792	10,381,150
Total Revenue	\$42,272,335	\$31,615,271	\$31,800,850
Expenses			
Operating Expenses	29,054,952	23,462,141	20,588,640
Provision for Loan Losses	2,235,883	1,591,977	4,064,820
Member Dividends	4,393,252	2,057,443	3,138,963
Interest on Borrowed Funds	1,068,746	247,641	665,652
Total Expenses	\$36,752,833	\$27,359,202	\$28,458,075
Net Income	\$5,519,503	\$4,256,069	\$3,342,775

For 12 months ending December 31. Totals or subtotals may reflect a \$1 difference due to rounding.

Federally Insured by NCUA

BOARD OF DIRECTORS

Theodore P. Byrne	Chairman
Rick Thompson	Vice Chairman
John G. Clancy	Director
Malachy T. Coghlan	Director
Douglas R. Murphy	Director
Willoughby Henshaw	Secretary
M. Wayne Lynch	Treasurer

SUPERVISORY COMMITTEE

Robin Rush	Chairperson
Grace De La Cruz	Committee Member
Shirley Hingada	Committee Member
Sunit Kaur	Committee Member
Trina Rios	Committee Member

MANAGEMENT TEAM

Joseph E. Whitaker	President & CEO
Michael Carlos	Chief Technology Officer
Mayra Daigneault	Chief HR Officer
Shannon Doiron	Chief Digital Officer
Scott Ko	Chief Financial Officer
Russ McAtee	Chief Lending Officer
Donald Peaks	Chief Experience Officer
Katia Santos	Chief Administrative Officer



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