

2023

ANNUAL REPORT

A JOINT MESSAGE

From Our Board Chairman and President & CEO

2023 brought continued momentum for SkyOne, as we consistently achieve new heights each year. By improving Net Income and delivering strong ROA and Asset growth, we are focused on ensuring our operations drive continued value for our members. The Los Angeles Times honored us by naming SkyOne the Best Credit Union in the Southland for 2023.

We are thrilled to have reached a significant milestone with you by welcoming our 60,000th member in 2023. This achievement is a testament to the trust and loyalty of our members and the tireless efforts of our team to deliver unparalleled service and support. Each new member represents another individual or family who has chosen to entrust us with their financial well-being, and we are deeply honored by this privilege.

We are also thrilled about the expansion of our footprint with the opening of our new Operations Center and Retail Branch in Lewisville, Texas. With our new presence in the Dallas Fort Worth area, we are not just growing but also deepening our impact on the lives of individuals and families throughout the area. If you are in the area, feel free to stop by, say hello, and visit the beautiful new location that you, our members, have made possible.

As we look ahead to 2024, we will celebrate our 75th anniversary by continuing to deliver meaningful financial solutions and soaring to new heights. We are grateful you have chosen SkyOne as your financial partner and look forward to continuing to serve you, your family, and your friends and helping our communities thrive.

We are thrilled to have reached a significant milestone with you by welcoming our 60,000th member in 2023.



A handwritten signature in black ink that reads "Theodore P. Byrne".

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



A handwritten signature in black ink that reads "Joseph E. Whitaker".

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, 2023. 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

Reid Case
Mayra Daigneault
Lily Garcia
Randy May
Eric Orantes
Patricia Perez
Andrea Rodriguez
Marvin Sarmac
Lori Scantlebury
Joseph E. Whitaker

OVER 10 YEARS

Brandie Baldwin
Maria Freeman
Adriana Gonzalez
Paul Rivas

OVER 15 YEARS

Trina Alli
Melinda Barmore
Rodney Brown
Armando Gonzalez
Cristina Hartmark
Crystal Stokes

OVER 20 YEARS

Kathleen Cunico
Bambi Louie

OVER 25 YEARS

Kelly Chaves
Anni Haroutunian
Ismael Rodriguez

OUR MISSION

Delivering meaningful financial solutions tailored to our members' needs.



\$938 Million
in Total Assets



60,071
Members



Over 75 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, 2023

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

2023

Reached a milestone
and welcomed our
60,000th Member

	 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 2023, we

- > **Implemented Tru Treasury** – Cash management solutions for Businesses
- > **Launched Alloy** – Fraud prevention software automating decisions for onboarding
- > **Launched Tenet** – New enhanced lending product specializing in electric vehicles



Promoting Financial Education

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

Comparative Statement of Financial Condition

	2023	2022	2021
Assets			
Cash	139,016,775	115,328,865	42,679,875
Investments	84,602,111	85,089,854	104,026,883
Loans	664,005,059	638,291,603	515,781,801
Allowance for Loan Losses	(4,560,586)	(4,124,879)	(8,280,341)
Fixed Assets	7,754,173	7,787,254	8,498,374
Other Assets	47,506,142	42,194,562	40,701,526
Total Assets	938,323,674	884,567,259	703,408,118
Liabilities			
Members' Deposit Accounts	863,679,055	801,071,029	616,484,455
Other Liabilities	33,975,908	38,718,560	36,583,275
Total Liabilities	897,654,963	839,789,589	653,067,730
Equity			
Regular Reserve	4,391,442	4,391,442	4,391,442
Undivided Earnings	45,284,400	49,797,884	44,278,381
Equity Acquired from Merger	5,734,532	5,734,532	5,734,532
Unrealized Accumulated Comprehensive Gain/(Loss)	(14,741,663)	(15,146,188)	(4,063,967)
Total Equity	40,668,711	44,777,670	50,340,388
Total Liabilities and Equities	938,323,674	884,567,259	703,408,118

Comparative Income Statement

	2023	2022	2021
Revenues			
Interest on Loans	38,041,853	29,683,206	23,929,768
Interest on Investments	7,484,232	2,873,016	783,711
Other Income	7,669,598	9,716,113	6,901,792
Total Revenue	53,195,683	42,272,335	31,615,271
Expenses			
Operating Expenses	30,545,596	29,054,952	23,462,141
Provision for Loan Losses	(2,228,605)	2,235,883	1,591,977
Member Dividends	15,401,592	4,393,252	2,057,443
Interest on Borrowed Funds	3,139,464	1,068,746	247,641
Total Expenses	46,858,047	36,752,833	27,359,202
Net Income	6,337,636	5,519,503	4,256,069

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

Federally Insured by NCUA.

Communities We Proudly Support



Friends of Madrona Marsh



Affinity Partners We Proudly Serve



**Federal Aviation
Administration**



**Transportation
Security
Administration**



*Los Angeles
World Airports*



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

EXECUTIVE MANAGEMENT TEAM

Joseph E. Whitaker	President & CEO
Michael Carlos	Chief Technology Officer
Mayra Daigneault	Chief Experience Officer
Shannon Doiron	Chief Strategy Officer
Scott Ko	Chief Financial Officer
Donald Peaks	Chief Operating Officer
Katia Santos	Chief Growth Officer



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