



LAUNCH

Federal Credit Union

2019 Annual Report



OUR MISSION...

To improve the financial well-being of our members, we are dedicated to provide competitively priced financial services featuring efficient, convenient, and courteous service.

OUR VISION...

To be the first choice for financial services in Brevard and Volusia Counties and to serve as the primary financial institution for our members.

Federally insured by the NCUA.

go beyond

REPORT FROM THE BOARD CHAIR

Launch Federal Credit Union's Board of Directors serve as unpaid volunteers representing the membership. Key governance responsibilities of the Board include hiring and supervising the CEO, approving policies to establish operating risk parameters and overseeing the development and implementation of the strategic plan.

In order to better fulfil the fiduciary and governance responsibilities, the board utilizes a comprehensive committee structure. The Executive Committee oversees the evaluation of the CEO and CEO succession planning. The Supervisory Committee oversees regulatory compliance, the evaluation of internal controls and the integrity of financial reporting. The Delivery Channels Committee provides strategic oversight regarding branches, marketing, digital services, and information technology. The Finance Committee oversees the credit union's balance sheet management, liquidity and financial performance. Finally, the Board Development Committee is responsible for board succession planning along with board education and development.

On behalf of the Board of Directors, thank you for your membership at Launch Federal Credit Union. Your continued support allows us to be a preferred alternative to high-priced financial services in Brevard and Volusia counties.

Charles E. Jenkins, Jr., Chair, Board of Directors



REPORT FROM THE TREASURER

The credit union achieved solid financial performance in 2019. For the year, Launch FCU posted a net income of almost \$4 million, maintained a liquidity ratio of over 10% and increased total loans by almost \$80 million. Bottom-line, your credit union remains one of the strongest in the nation and continues to receive the highest possible rating of 5-Stars from Bauer Financial, an independent firm rating banks and credit unions nationwide. Furthermore, Launch's net worth ratio, a key measure of financial strength, ended the year at 12.7%, well above the peer average of 11.3%.

Dominic Morgese, CPA, Treasurer



REPORT FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee oversees our internal control to ensure the soundness of Launch Federal Credit Union and to protect the assets of our members. In order to accomplish this, the Supervisory Committee works closely with the internal audit department, as well as an external CPA auditing firm. The work of the internal and external auditors helps ensure the credit union's staff and management follow sound business practices. Additionally, our Federal Regulator, the National Credit Union Administration, conducts annual examinations covering safety and soundness, and regulatory compliance.

For 2019, the Supervisory Committee engaged an external audit firm, Warren Averett, to audit Launch FCU's financial statements and records. Correspondingly, I am pleased to report their findings concluded that the credit union's financial condition is excellent and provides a basis for continued positive operational results.

I would like to thank my fellow committee members for their service to the credit union and to our members.

S. David Banks, Chair, Supervisory Committee



REPORT FROM THE PRESIDENT/CEO

The long-term success of the credit union is based on our ability to meet the financial requirements of our members better than the competition. As detailed in the Member Value Cycle graphic (shown to the right), as more members select us as the first choice for their financial needs, our ability to create member value improves. It's a win-win for our members, staff and the local community.

At Launch Federal Credit Union, 2019 was a year marked by success in better meeting our members' needs and expectations. For example, total loan balances grew by almost \$80 million and over 10,000 new members joined the credit union. Also during 2019 we opened a new branch in West Melbourne to better serve the rapidly growing south Brevard area.

In 2020, we will continue to improve our digital services along with opening a new branch on Babcock Street, near the airport, in Melbourne.

In closing, thank you for your trust and loyalty!

Joe Mirachi, President/CEO



FINANCIALS

December 31, 2019

LOANS & CASH

Total Loans	\$ 516,142,824
(Less) Allowance for Loan Losses	(4,545,802)
Net Loans Outstanding	511,597,022
Cash	\$ 9,987,991

INVESTMENTS

US Government Obligations	100,383,760
Federal Agency Securities	34,187,023
Federal Reserve Bank	69,456,976
Other Investments	1,893,274
Total Investments	\$ 205,921,033

OTHER ASSETS

Land & Buildings (net of depreciation)	19,321,644
Other Fixed Assets (net of depreciation)	13,628,211
NCUSIF Capital Deposit	6,662,482
All Other Assets	16,279,018
Total Other Assets	55,891,355
Total Assets	\$ 783,397,401

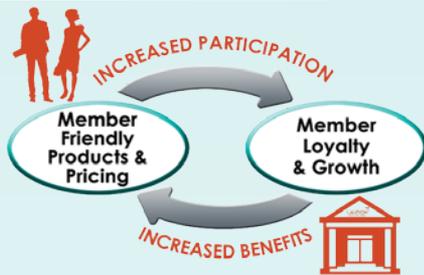
LIABILITIES & EQUITY

Accounts Payable	8,387,710
All Other Liabilities	10,643
Total Liabilities	8,398,353
Certificates	24,359,896
All Share/Checking/Other Accounts	650,230,214
Member Deposits	674,590,110
Total Equity	100,408,938
Total Liabilities & Equity	\$ 783,397,401

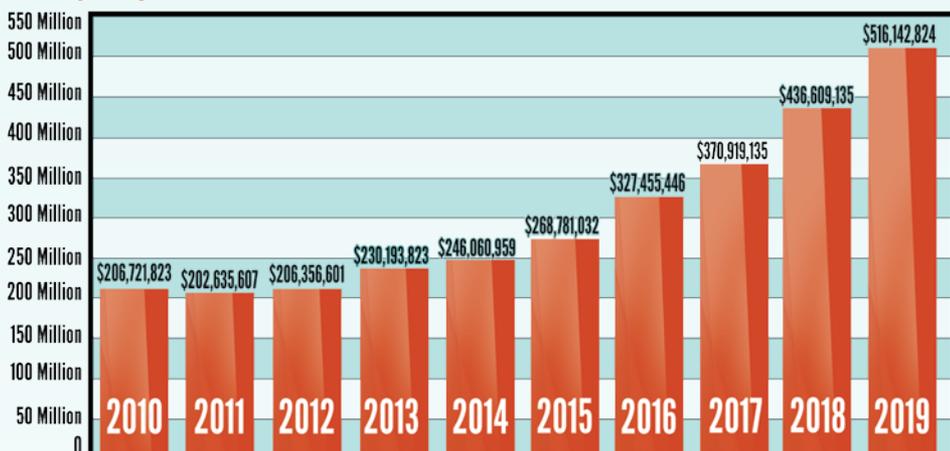
2019 CHARTS & INFORMATION

MEMBER VALUE CYCLE

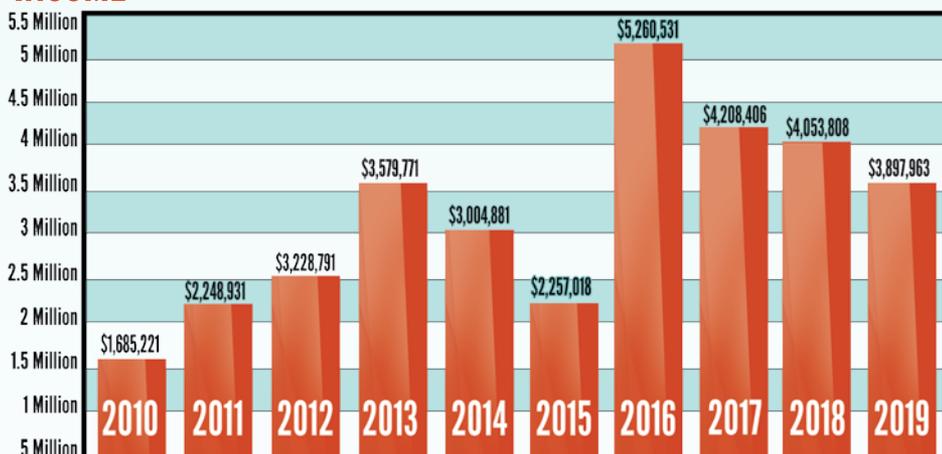
Member Friendly Products and Pricing lead members to **Increased Participation** with Launch FCU, as we offer deposit and loan products with features members want at competitive rates and lower fees. This increased participation prompts **Member Loyalty and Growth** as members and potential members respond to a better value. Member loyalty and growth allows the credit union to be more efficient, resulting in Launch FCU's ability to offer members **Increased Benefits** and further expanding member friendly products and pricing.



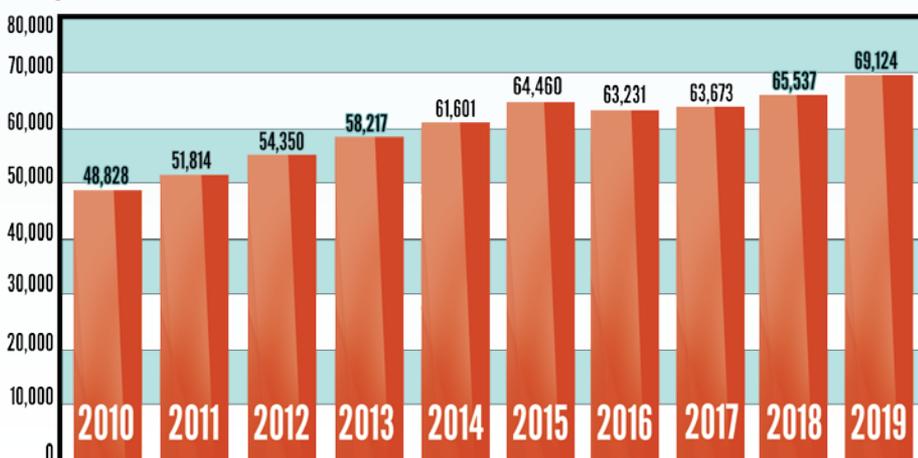
TOTAL LOANS



NET INCOME



MEMBERSHIP



COMMITMENT TO OUR COMMUNITY

The Launch FCU mission is to improve the financial well-being of our members. We strive to live that mission every day, with every member. One important way we do this is by being convenient for our members to do business with. In 2019, Launch celebrated the opening of our West Melbourne branch. Launch now has 15 branches to serve our members' financial needs, making Launch more convenient for our south Brevard members.



Throughout 2019, Launch employees demonstrated community spirit by participating in several donation drives and events throughout the year. Launch participated in the Making Strides Against Breast Cancer walks in both Brevard and Volusia. Launch employees also ran in the Turtle Krawl 5K to benefit the Space Coast Sea Turtle Preservation Society. Launch members and staff donated enough school supplies to assemble 200 backpacks which were donated to local schools. We also donated



gently used computers to several area schools as well as to other local community organizations. Launch helped stock the shelves at the 2nd Harvest Food Bank with canned food and boxed meals during the annual Share Your Christmas food drive. We also couldn't forget about our furry friends! Our members and staff donated enough pet supplies and food to fill two vans, with all the donations delivered to area animal shelters.

Launch is very proud to have not one, but two high school credit unions that are run by amazing Finance Academy students at Spruce Creek High and University High Schools. These students learn about the credit union industry through their volunteerism at our school branches. Our school branches provide students with real world experience and hands-on learning. Launch also provides paid summer internships, and scholarships for deserving seniors who have worked with Launch through their high school years in the Finance Academy.



In 2019, Launch began #LaunchMyGoals on social media, allowing members to tell their personal stories of how Launch has helped them reach their goals. Using this as a tool to share success stories, Launch hopes that it will encourage others to use our products and services to help them reach success.



Launch believes it's important to be a part of the communities in which we serve. By giving back, we are making a difference, and helping many to achieve their financial goals. That's our mission, and we strive to live our mission every day.

LAUNCH INFORMATION

Locations

VOLUSIA COUNTY

Ormond Beach ■ 240 Williamson Boulevard

South Daytona ■ 2290 S. Ridgewood Ave.

DeLand ■ 301 W. New York Ave.

Orange City ■ 2277 Veterans Memorial Pkwy.

Edgewater ■ 2810 S. Ridgewood Ave.

BREVARD COUNTY

Titusville ■ 3950 S. Washington Ave.

Port St. John ■ 7347 N. Hwy. U.S. 1

Merritt Island ■ 415 Fortenberry Road

Rockledge ■ 3300 Murrell Road

Melbourne-Wickham ■ 2200 N. Wickham Road

COMING SOON! **Melbourne-Babcock** ■ 685 South Babcock Street

West Melbourne ■ 4301 Norfolk Parkway

Palm Bay ■ 5225 Babcock Street NE

Restricted Access Branches

KSC Central Campus Building ■ M7-0301, Room 1022, Kennedy Space Center

KSC Multi-Function Facility ■ Room 102, Kennedy Space Center

Cape Canaveral AFS ■ Room 1435, E & L Building 1704

Spruce Creek High School ■ 801 Taylor Road, Port Orange

University High School ■ 1000 W. Rhode Island Ave., Orange City

Hours

M - W 9:00 a.m. - 5:00 p.m. ■ Th & F 9:00 a.m. - 6:00 p.m. ■ Drive-thru opens at 8:30 a.m.

Central Campus, MFF & CCAFS Branches M-F 8:00 a.m.-4:00 p.m.

High School Branches Selected Days and Hours

Administration ■ 300 S. Plumosa Street ■ Merritt Island, Florida, 32952

Telephone Numbers

321-455-9400 (Inside Brevard County) ■ 1-800-662-5257 (Outside Brevard County)

Automated Response System ■ Option 1

Lost/Stolen ATM/Debit or Credit Card ■ Option 2

Lending Center ■ Option 3

Vehicle Insurance Information ■ Option 4

Collections ■ Option 5

Branch Information ■ Option 6

Contact Center/Member Service Representatives ■ Option 0

www.launchfcu.com



Board of Directors

Charles E. Jenkins, Jr., Chair

Lonnie Blocker, Vice Chair

Marilyn Cherubini, Secretary

Dominic Morgese, CPA, Treasurer

Percy Cohrs

J. Albert Diggs, Jr.

Hollimarie Montijo

Eric Ostarly

Dan Sicchio

Associate Board Members

Tabitha Abraham

Jennifer Ellmer

Kevin Reed

Tommy Reed

Supervisory Committee

S. David Banks, Jr. Chair

Connie Morice

Linda South

Executive Officers

Joe Mirachi, President/CEO

Kevin LeBeau, EVP/CFO

Gary LeVar, EVP/COO