

LAUNCH Credit Union

2022

Annual Report

OUR MISSION...

To help members achieve their financial goals.

OUR VISION...

To be the financial institution of choice in the communities we serve.

FLORIDA

MARY McLEOD BETHUNE
1875 - 1955

INVEST IN THE HUMAN SOUL.
WHO KNOWS, IT MIGHT BE A
DIAMOND IN THE ROUGH.

REPORT FROM THE BOARD CHAIR

Launch 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 Audit 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 Credit Union. Your continued support allows us to be a preferred alternative to high-priced financial services in Brevard and Volusia counties.

Percy Cohrs, Chair, Board of Directors



REPORT FROM THE TREASURER

Launch Credit Union achieved strong financial performance in 2022. For the year, the credit union posted a net income of \$6.6 million, increased total loans by over \$291 million, and reduced fees we charge to members. Launch increased deposit rates on savings, money market and certificates and returned more back to our members in dividends. Bottom-line, your credit union remains one of the strongest in the nation and continues to receive an excellent rating from Bauer Financial, an independent firm rating banks and credit unions nationwide. Furthermore, Launch's net worth ratio, continues to be strong a key measure of financial strength, and is considered "well-capitalized".

Eric Ostarly, Treasurer



REPORT FROM THE AUDIT COMMITTEE

The Audit Committee oversees our internal control to ensure the soundness of Launch Credit Union and to protect the assets of our members. In order to accomplish this, the Audit 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 State and Federal Regulators conduct examinations covering safety and soundness, and regulatory compliance.

For 2022, the Audit Committee engaged an external audit firm, Warren Averett, to audit Launch CU'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.

Connie Morice, Chair, Audit Committee



REPORT FROM THE PRESIDENT/CEO

The last year has seen some shifts in focus for Launch Credit Union. Expansions in services over the last several years have enabled Launch to reach out and help members and our community. While Federal rate hikes and a looming recession have been distressing, Launch has responded by raising loan rates as little as possible... including no base rate hikes for credit cards. At the same time, Launch cut fees charged to our members, saving members over one million dollars in 2022. Launch raised savings rates, especially for Certificates of Deposit, making it more profitable for members to save money during uncertain economic times.

Several home buying services were introduced in 2022, aimed at assisting our members in reaching the goal of home ownership. The No Closing Cost and No Down Payment mortgage options help members avoid often-prohibitive payments at the time of closing. The First Time Homebuyers Saving Program gives members who are planning ahead the opportunity to save for this home purchase, with funds contributed by Launch CU. By preparing and saving, members can have up to \$1,800 matched by Launch and be empowered in their home search.

Moving into 2023, Launch CU looks forward to adding money-saving products and benefits, while continuing to offer the outstanding member service on which our members depend. Our continued growth depends upon our abilities to meet our members' needs and desires, and we work hard to achieve that goal.

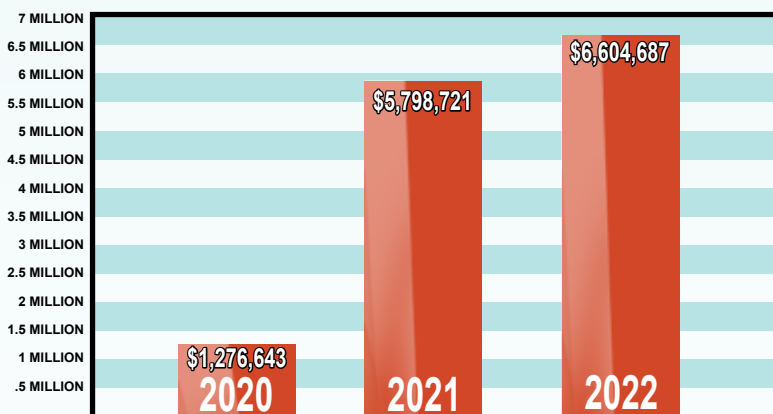
In closing, thank you for your trust and loyalty in Launch!



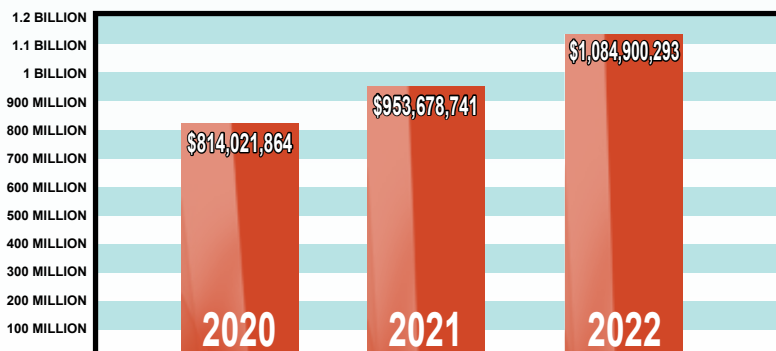
Joe Mirachi, President/CEO

2021 CHARTS & INFORMATION

NET INCOME



MEMBER DEPOSITS



FINANCIALS

December 31, 2022

LOANS & CASH

Total Loans	\$ 1,102,882,182
(Less) Allowance for Loan Losses	(6,656,604)
Net Loans Outstanding	1,096,225,578
Cash	\$ 8,600,833

INVESTMENTS

Federal Agency Securities	5,495,752
Federal Reserve Bank	144,671,625
Other Investments	11,765,554
Total Investments	\$ 161,932,931

OTHER ASSETS

Land & Buildings (net of depreciation)	27,767,123
Other Fixed Assets (net of depreciation)	9,712,072
NCUSIF Capital Deposit	9,931,355
All Other Assets	60,210,407
Total Other Assets	107,620,957
Total Assets	\$1,374,380,299

LIABILITIES & EQUITY

FHLB Borrowings	159,288,000
Accounts Payable	15,283,766
All Other Liabilities	673,225
Total Liabilities	175,244,991
Certificates	105,793,254
All Share/Checking/Other Accounts	979,107,039
Member Deposits	1,084,900,293
Total Equity	114,235,015
Total Liabilities & Equity	\$1,374,380,299

GO BEYOND FOUNDATION

In 2022, the Go Beyond Foundation donated scholarships to Eastern Florida State College, Florida A & M University, and Daytona State College. These post-secondary education scholarships are awarded to financially challenged minority students from Brevard and Volusia counties seeking IT degrees. The Go Beyond Foundation also supported Second Harvest Food Bank of Central Florida and LEAD Brevard. As someone once said “If you want to touch the past, touch a rock. If you want to touch the present, touch a flower. If you want to touch the future, touch a life.” We believe by giving to these organizations, we are truly making a difference in the future.



2022 GROWING BEYOND

2022 was a year of growth and giving. Launch grew its footprint and welcomed its 17th branch. The Titusville-Singleton branch now serves the northwest area of Titusville and is Launch's most northern Brevard branch. While it provides better convenience for our members in that area and alleviates congestion at our Titusville US-1 branch, it also welcomed hundreds of new members since it opened in July.



Also in 2022, Launch enhanced its Digital Banking platform for a better member experience. Some of the new features included the addition of credit and debit card controls which provides our members the ability to turn on or off their cards in the case of travel, fraud or other reasons. Deposit rates increased across the board, including Savings, Checking, Certificate and Money Market rates. Launch also cut fees on checking accounts which resulted in putting more than \$1M back in members pockets.



The Melbourne-Babcock branch hosted several events in its community room, providing space for the Chamber of Commerce and other organizations. Launch also hosted several Financial Power After-Hours events at its branches to allow guests to learn about the financial products and

services that can best help them reach their financial goals.

As a way to support our local businesses, Launch began hosting Food Truck Fridays which quickly became a hit. Not only is Launch providing a space for our local food truck vendors to set up and sell their products, but it also encourages non-Launch members to stop in and get to know us.



Launch continued to support area schools by donating gently recycled computers to several schools in Volusia. Our Back-to-School supply drive benefited schools throughout Brevard and Volusia, and Launch supported the Volusia Teacher of the Year program. Financial education continued to be a high priority, especially with our youth. Launch adopted a new program called "It's a Money Thing" which in 2022 began to be shared in classrooms at Spruce Creek and University High schools, with plans to expand in 2023.

To wrap up the year, our members and employees are always invited to spread holiday cheer by donating to Toys for Tots. This year was no exception as hundreds of gifts were collected in our branches and during our drive-thru toy drives.



LAUNCH CU 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-Singleton** ■ 90 S. Singleton Ave.
- Titusville-US 1** ■ 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
- 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 SFS** ■ 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 & CCSFS 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.launchcu.com

Board of Directors

Percy Cohrs, Chair
Holli Montijo, Vice Chair
Linda South, Secretary
Eric Ostarly, Treasurer
Marilyn Cherubini
Chuck Jenkins
Dominic Morgese
Connie Morice
Dan Sicchio

Associate Board Members

Dr. Michael Cadore
Stuart P. Dawley
Dr. Kevin Reed
Chris Walden

Audit Committee

Connie Morice, Chair
Doris Punderson
Dan Sicchio

Executive Officers

Joe Mirachi, President/CEO
Kevin LeBeau, EVP/CFO
Gary LeVar, EVP/COO
Mark Brewer, SVP/CIO
Jane Schropp, SVP/HR
Lourdes Camacho, VP/Internal Audit



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by NCUA