

The background of the entire page is a dark blue, monochromatic image of horizontal wooden planks. The planks have a visible wood grain and are arranged in a staggered pattern, creating a textured, layered effect. The lighting is slightly darker towards the top and bottom edges, giving it a three-dimensional appearance.

**WE'RE BETTER, TOGETHER.**

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2016 ANNUAL REPORT

A photograph of a modern building with a light-colored wood-grain facade. The building features large glass windows on the left and right sides. A dark grey horizontal band runs across the upper part of the facade, containing the text "LAKE TRUST CREDIT UNION" in raised, dark blue letters. The sky is blue with some light clouds.

**LAKE TRUST CREDIT UNION**

# LETTER FROM THE CEO

Each year I'm always amazed at how much we accomplish in a mere 365 days. The projects that took place during this time couldn't have happened without the continuous dedication of Team Lake Trust and the support of you, our members.

In 2016, we took some time to really examine the meaning of our work. Our jobs are so much more than taking loan applications or answering phones; this is a way to touch the lives of other people and make a real difference in the world. And we hope we do this each day as we listen to your stories and find solutions to help you bring your vision for the future to life.

Thank you for giving us such an important role in your story.

**David Snodgrass**

PRESIDENT & CEO

# OUR MEMBERS

## Business Advisory Panel

In March 2016, we formed our Business Advisory Panel to get insight on how our business members work and make decisions. From these sessions, we gathered feedback around potential products and services to identify areas where we can assist our business members.


## Loan Growth

This year we exceeded our loan growth goal by almost \$17 million. This success is a result of our philosophy that lending guidelines should be flexible enough to accommodate the needs of each member's unique story.

## New Membership

Any new member who joined us between September and December 2016 was put into a drawing for \$150,000. Current members could refer their friends for a chance to win \$50,000. In January 2017, we drew the names of our two winners and held a celebration event at their local branches.

126 new members of Team  
Lake Trust joined us in 2016.

A close-up photograph of a woman with long dark hair and glasses smiling broadly as she hugs another woman with long blonde hair. The woman being hugged has her back to the camera. The background is slightly blurred, showing other people in a social setting.

“I’ve always said that I love my credit union...Now I’m  
in love with my credit union!”

TIFFANY, \$50,000 WINNER



“Be relentless in the pursuit of your goal. Whenever people say no, keep pushing on and say yes.”

GEORGE, ULTIMATE SOCCER ARENAS

# REWARDS

Every one of our members is unique and our Lake Trust Rewards program celebrates this individuality. Through Rewards, we give money back to our members each month based on the number of products and services they use.

The Rewards campaign tagline, “It’s More Rewarding to Be Yourself”, took on a whole new meaning this year. We expanded our campaign to include stories about our culture, Impression 5 Science Center (a community partner), and Ultimate Soccer Arenas (a business member). These stories of encouragement and persistence reinforced our idea of what it means to work here each day.

We gave back \$2 million to our members in Lake Trust Rewards.

# NEW BUSINESS PARTNERSHIP

This year we brought on Jackson Kennedy Insurance as a new business partner to help our members navigate their insurance options. We were attracted to Jackson Kennedy because of their honest business practices and the personal approach they take to educate their clients. We're excited to offer this new service to our members and to have the ability to help them choose the best Medicare or health insurance plan for their lifestyle.

We gave 2,911 volunteer hours  
to our communities in 2016.







## LAKE LANSING BRANCH

In April 2016, our Frandor branch relocated to a newly constructed branch on Lake Lansing Road. The new branch offers more space for our members and includes a drive-thru. With this move, we became the first business to meet East Lansing's new investment in the arts requirement. The sculpture, "Mezza Luna", is on display outside the branch for the entire community to enjoy.

The Lake Trust family was saddened by the loss of our Lake Lansing Member Experience Manager, Emily Malone, in January 2017. We cherish the many memories we have with her and our hearts go out to her family.



# G2G SUMMIT

All too often we get stuck in the mundane tasks of the day and we lose sight of the real reason we work each day. This year at G2G Summit (our all-staff day), we launched our new 2017 strategic theme of social purpose. To help us understand what this theme means, we invited four people to share their stories about how they give back in unconventional ways.

Between sessions, we interacted with some of our community partners and learned about local volunteer opportunities. Then our keynote, Todd Henry, closed the day by sharing his insight on how we can fuel our passions and unleash our best work.

Our Foundation gave \$60,536 in  
community grants in 2016.



“The people at SOUP are just normal people with an idea. They’re just looking for someone to believe in them.”

AMY, DETROIT SOUP

GIVING TUESDAY

2016 Annual Report



# GIVING TUESDAY

Giving Tuesday is a global day of giving back after Thanksgiving weekend. This year, we decided to donate one penny from each debit card transaction that occurred over the long weekend to a local non-profit. The Lake Trust Foundation added \$15,000 to this donation amount for a total of \$22,210.50.

We wanted the community to pick who should receive the money. We selected four humanitarian organizations based in neighborhoods we serve and opened up voting online. In the end, the Howell Nature Center won with the most votes and received our donation.

Giving Tuesday was a great reminder of how much good we can do in the world when we work together.

915 people voted  
on Giving Tuesday.

# SCHOLARSHIP

We believe that everyone deserves the chance to learn and get an education. To make a bigger impact on the lives of high school students, we increased the amount of the Lake Trust Foundation Community Scholarship this year.

We selected four graduating high school seniors to receive \$5,000 each, giving them the opportunity to attend the college of their choice in Michigan. We awarded the scholarship money to each student during a special luncheon celebration.

We provided 441 financial  
education hours in our  
communities.







# AUDITOR'S LETTER

## **Board of Directors**

### **Lake Trust Credit Union**

BRIGHTON, MICHIGAN

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated statements of financial condition of Lake Trust Credit Union as of December 31, 2016 and 2015 and the related consolidated statements of income, comprehensive income, members' equity, and cash flows for the years then ended; and in our report dated March 17, 2017, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

## **Crowe Horwath LLP**

GRAND RAPIDS, MICHIGAN

March 17, 2017

# CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Years ended December 31, 2016 and 2015

DOLLARS IN THOUSANDS

	2016	2015
Interest Income	\$59,691	\$57,268
Interest expense	6,387	5,619
<b>Net interest income.</b>	<b>53,304</b>	<b>51,649</b>
Provision for loan losses	5,641	5,675
<b>Net interest income after provision for loan losses.</b>	<b>47,663</b>	<b>45,974</b>

# CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Years ended December 31, 2016 and 2015

DOLLARS IN THOUSANDS

	2016	2015
Noninterest income	19,327	19,124
Noninterest expense	(61,996)	(59,897)
<b>Net income</b>	<b>\$4,994</b>	<b>\$5,201</b>

# CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

December 31, 2016 and 2015

DOLLARS IN THOUSANDS

<b>Assets.</b>	<b>2016</b>	<b>2015</b>
Cash & Cash Equivalents	\$95,071	\$99,652
Investments	147,148	157,287
Loans	1,359,832	1,245,618
Property & Equipment	64,492	70,110
NCUSIF Deposit	14,307	13,595
Goodwill & Other Intangibles	46,763	50,267
Other Assets	47,414	44,210
<b>Total Assets.</b>	<b>\$1,775,027</b>	<b>\$1,680,739</b>

# CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

December 31, 2016 and 2015

DOLLARS IN THOUSANDS

<b>Liabilities &amp; Members' Equity.</b>	<b>2016</b>	<b>2015</b>
Members' Shares	\$1,547,384	\$1,473,878
Borrowings	41,000	26,000
Other Liabilities	10,547	9,221
<b>Total Liabilities.</b>	<b>1,598,931</b>	<b>1,509,099</b>
Members' Equity	176,096	171,640
<b>Total Liabilities &amp; Members' Equity.</b>	<b>\$1,775,027</b>	<b>\$1,680,739</b>



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