CHAIRMAN’S MESSAGE

2010 was a year of mixed results, there is no question. We have seen first-hand that our member-owners have suffered a great deal in this troubling economy, but we also observed that the outcome improved as the year progressed. Although the economic picture has not resulted in the full upturn desired, it is expected that Great Basin Federal Credit Union will experience a continued improvement in all areas to the benefit of the members. The board and management work proactively and diligently to ensure we maintain the service, pricing and stability that you rely upon; that which we have delivered over the last 60 years. Our commitment to educating and improving the lives of our member-owners continues to be our top priority. We appreciate the trust you place in us to serve the financial needs of you and your family and we look forward to working with you as we move past these trying times to come out more successful than ever.

Dennis Flannigan
President/CEO

2010 ANNUAL REPORT

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Alfred Stoess
Board Chairman

PRESIDENT’S MESSAGE

There is no illusion that Northern Nevada has a ways to go until we can actually use the hoped for word, RECOVERY. Early in 2011 our area was still experiencing continued job losses, though at a much reduced rate. Foreclosures still lead the nation and a stagnant real estate and construction market hinders job expansion.

In 2010 the credit union made significant progress in profitability by continued vigilance on cost controls and reduced vehicle loan losses as the year progressed. Expense ratios continued to decline even though we reduced our asset size. The reduction in vehicle loan losses after the first half of the year reflected a stabilization of sorts in the local economy and a slowing of the rate of employment loss experienced for the prior year and a half.

The credit union operated close to breakeven for the year as $252,700 of the $464,845 we recognized as a loss was for the credit union insurance fund for the losses at other credit unions. Most people aren’t aware that while other financial institutions received direct financial aid from the federal government and depleted their insurance fund, credit unions were forbidden from TARP participation and directly maintained their insurance fund to 100% without cost to the tax payers.

We continue to offer low rate vehicle loans as the primary investment of member funds. Though we also offer first mortgages to the members, we were less affected by the down turn because we had half as much in mortgages (as a percentage of all our loans) as other financial institutions.

The core relationship concept the CU has been promoting, to reward the members who use us the most, must be working as we experienced strong growth in numbers and deposits in our Core Membership. Many new members came from the large retail banks as their fees went up and the value went down. At Great Basin Core Members are able to avoid many fees and also receive preferential rates on loans and deposits.

I continue to be amazed and proud of our staff in their desire to serve the membership. They understand the place credit unions hold in the community as the few remaining locally owned and operated financial institutions and the importance of being fair and providing the best value for every family during these troubled times. They are our front line, and our best ambassadors.

Thank you for your continued support of the credit union.

Alfred Stoess
Board Chairman

Dennis Flannigan
President/CEO

2010 ANNUAL REPORT

GREAT BASIN FEDERAL CREDIT UNION

We’re with you for life.

www.greatbasin.org ● 775.333.4228

Through our core values, we are your loyal partner throughout life’s adventure.
Credit unions are not-for-profit financial cooperatives run by volunteer boards of directors and supervisory committees that are elected by and from the membership. We are lucky to have this outstanding group of volunteers dedicated to the success of our credit union.

Your executive management include the following individuals:

**BOARD OF DIRECTORS**
- Alfred Stoess
  - Chairman
- Jan Gilbert
  - Vice Chairman
- Carol Ingalls
  - Secretary
- Mike Casingham
  - Member
- Nick Barainca
  - Member

**SUPERVISORY COMMITTEE**
- Jessica Younger
  - Chairwoman
- Mike Eliopulos
  - Member
- Tiffany Williamson
  - Member

**EXECUTIVE MANAGEMENT**
- Dennis Flannigan
  - President/CEO
- Tony Lopez
  - VP/CFO
- Jennifer Denno
  - VP/COO