

2011 ANNUAL REPORT



CHAIRMAN'S MESSAGE

Although the economy of Northern Nevada is still in the recovery stage, 2011 was a year of improved results for Great Basin Federal Credit Union. Great Basin has seen significant progress during 2012, and expectations for the remainder of the year appear to be positive. The potential merger with Sparks City Employees Federal Credit Union should be of considerable benefit to Great Basin and its current members, as well as those joining from Sparks City. The board and management will endeavor to maintain the service, pricing and stability that you have seen over the years. We are committed to be a credit union that provides financial services for the benefit of our member-owners at all times.



Alfred Stoess
Board Chairman



Dennis Flannigan
President/CEO

PRESIDENT'S MESSAGE

It is with pronounced satisfaction on behalf of our members, that Great Basin Federal Credit Union saw significant financial improvement through 2011 and through the first four months of 2012. Though we share with our members the uncertainty of the times, we know the importance of providing low interest rate loans and a low fee environment to help our members. This prolonged low rate environment has required all financial institutions to set deposit rates to ridiculous lows. The worst is probably over, but for Northern Nevada, a substantial recovery is still a ways in the future. We will continue to reward our loyal Core Members with added value including preferential deposit rates, free services, fee avoidance and excellent loan rates.

Membership referrals have always been the source of much of our member growth, and in 2011 and carrying on into 2012 we continue to receive historic numbers of bank customers transferring to Great Basin. I have always marveled at the high morale of our staff during these difficult years and their desire to help and support our members through it all. It is important for our members to understand that the expense control measures implemented to conserve our resources started with our staff and continues with an inspired discipline to bring us all through these times. I'm very proud of every one of them.

Late in 2011 Great Basin was approached by a sister credit union, Sparks City Employees Federal Credit Union, to consider a possible merger. The similarity in core values that emphasizes personal service and focus in the Reno/Sparks community was an excellent match for both credit unions. We hope the membership of Sparks City Employee's approves the merger later in May.

At this time, the credit union has been profitable for 23 of the last 25 months. The exceptions were the two months when credit unions funded the NCUSIF (the credit union FDIC equivalent) for those credit unions that didn't make it. No credit union received TARP funds or similar government bailouts. No tax payer paid a dime for those losses; credit unions did. We have now re-attained our former strength and are considered "well capitalized" by our federal regulator, NCUA. Their confidence in Great Basin Federal Credit Union was acknowledged by their approval of the proposed merger.

From here the credit union is preparing for the future with the recent implementation of a new Online Banking System and Mobile Banking applications. An amazing array of financial services and transactions are now available at our members' finger tips; literally. All types of loan applications are available on our website, iPads and smart phones.

Thank you for your continued support and confidence of the credit union. Please let us know how we can help you today.

www.greatbasin.org • 775.333.4228

We're with you for life.



2011 FINANCIAL REPORT

STATEMENT OF FINANCIAL CONDITION			STATEMENT OF EARNINGS		
	2010	2011		2010	2011
ASSETS			INCOME		
Cash on Hand & on Deposit	\$ 3,546,623	\$ 4,916,999	Loan Interest Income	\$ 5,955,341	\$ 5,354,226
Personal Loans	\$ 83,958,396	\$ 77,736,508	Income from Investments	\$ 34,715	\$ 60,040
Business Loans	\$ 1,956,574	\$ 1,453,848	Other Income	\$ 1,525,778	\$ 1,394,539
Allowance for Loan Losses	\$ (4,068,282)	\$ (2,487,577)	Total Income	\$ 7,515,834	\$ 6,808,804
Investments	\$ 8,156,404	\$ 15,983,545	EXPENSE		
Fixed Assets	\$ 3,752,186	\$ 3,674,745	Operating Expense	\$ 3,924,122	\$ 3,761,029
Other Assets	\$ 2,535,897	\$ 2,091,127	Provision for Loan Losses	\$ 3,094,670	\$ 353,173
TOTAL ASSETS	\$ 99,837,799	\$ 103,369,195	Interest/Borrowed Money	\$ 0	\$ 0
LIABILITIES			(Inc.)/Exp. Sale Fixed Assets	\$ 0	\$ (40)
Other Liabilities	\$ 226,809	\$ 1,086,677	Non Operating Income	\$ 0	\$ 0
Notes Payable	\$ 0	\$ 0	Gain/Loss Sale of Investments	\$ 0	\$ 0
Total Liabilities	\$ 226,809	\$ 1,086,677	Total Expense	\$ 7,018,792	\$ 4,114,162
EQUITY			NET INCOME		
Shares held by Members	\$ 94,089,323	\$ 94,683,600		\$ 497,043	\$ 2,694,642
Regular Reserve	\$ 1,182,560	\$ 1,490,051	DISTRIBUTION OF NET INCOME		
Undivided Earnings	\$ 4,330,202	\$ 6,108,867	Dividends to Members	\$ 961,888	\$ 608,486
Unrealized Gains (Losses)	\$ 8,906	\$ 0	To Reserve and Undivided Earnings	\$ (464,845)	\$ 2,086,156
Total Equity	\$ 99,610,991	\$ 102,282,518			
TOTAL LIABILITIES & EQUITY	\$ 99,837,799	\$ 103,369,195			

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.

BOARD OF DIRECTORS



Alfred Stoess
Chairman



Jan Gilbert
Vice Chairman



Carol Ingalls
Secretary



Mike Cassingham
Member



Nick Barainca
Member

SUPERVISORY COMMITTEE



Jessica Younger
Chairwoman



Mike Eliopoulos
Member



Tiffany Williamson
Member

Not
pictured:
Kathleen Plambeck
Member

Your executive management includes the following individuals:

EXECUTIVE MANAGEMENT



Dennis Flannigan
President/CEO



Tony Lopez
VP/CFO



Jennifer Denoo
VP/COO

