



2013 Annual Report



*Dennis Flannigan
President/CEO*

President's Message:

It is with tremendous pride in our staff, management group and a great group of volunteers that I am able to report on another year of strong financial performance, quality service and real value to our members. By the close of 2013 Great Basin had fully returned to the high reserve position we held before the recession. Our Net Worth, the accumulated earnings of the credit union as a percentage of Assets, was 9.55%. We are again among the strongest financial institutions in the nation. Our Loan Loss Ratio and our Operating Expense Ratio are below national peer.

We continue to focus on the lives of our members and how we can help them and their families moving forward. Great Basin continues to offer the highest technological convenience available these days and we try every way to minimize the cost to our members through low fees and relationship discounts like our Core Account program. We have one of the lowest fee income ratios of Nevada financial institutions including banks and credit unions. The recession saw several large credit unions come to Nevada from other states. Several of them, along with the banks, offer substantial incentives to the auto dealers to get consumer loans. Those incentives will usually be reflected in higher vehicle loan rates. Contact your Great Basin branch and have them review your auto loan terms to see if we can't lower your payment and save you some money.

In the last few years there have been a number of very large cyber-attacks at major retailers. Great Basin is committed to protecting your financial data by ensuring we use the most effective controls possible. We also have taken the extra step to minimize the impact of the failure of these retailers to protect your information. In 2013 Great Basin reissued over 2,500 ATM/debit cards at no expense to our members as a result of the cyber-attacks at retailers. We are one of the few Nevada financial institutions that offer the ability to immediately reissue, we're talking same day, ATM/debit cards at all our branches.

In 2013 we started offering Business Lending to our members in the form of commercial building loans and SBA loans to small businesses. We funded over \$1.6 million in Member Business Loans our first year.

Consistent with our core values, we are proud to sponsor financial literacy programs in local middle and high schools. We also offer various workshops monthly to all our members from understanding Social Security, business lending basics, home buying essentials, estate planning and understanding online and mobile banking.

As we begin 2014 Nevada still has an Unemployment Ratio of 8.5%, one of the highest in the nation. The low interest rates are only expected to modestly rise over the next 18 months. Deposit dividend rates will likely rise gradually during this period. We also offer alternative investments for our members through Cetera Financial Group and Steve Lindquist, a financial advisor. Just ask your branch staff to help you set up an introduction with Steve. Let us help you with the full array of products and services designed to give our members the real value of a not-for-profit cooperative financial institution called "a credit union."

As always, thank you for your continued confidence and loyalty to Great Basin Federal Credit Union.

WHY JUST BANK WHEN YOU CAN BELONG.
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2013 Financial Report



STATEMENT OF FINANCIAL CONDITION	2012	2013
ASSETS		
Cash on Hand & on Deposit	\$ 7,630,590	\$ 7,259,790
Personal Loans	\$ 76,806,468	\$ 76,838,593
Business Loans	\$ 1,431,850	\$ 1,657,575
Allowance for Loan Losses	\$ (1,918,615)	\$ (1,315,560)
Investments	\$ 30,902,305	\$ 36,032,821
Fixed Assets	\$ 3,767,261	\$ 3,709,487
Other Assets	\$ 2,591,991	\$ 3,185,075
Total Assets	\$ 121,211,851	\$ 127,367,780
LIABILITIES		
Other Liabilities	\$ 978,478	\$ 780,561
Notes Payable	\$ 0	\$ 0
Total Liabilities	\$ 978,478	\$ 780,561
EQUITY		
Shares held by Members	\$ 109,854,459	\$ 114,423,026
Regular Reserve	\$ 1,730,725	\$ 1,730,725
Undivided Earnings	\$ 8,648,189	\$ 10,507,706
Unrealized Gains (Losses)	\$ 0	\$ (74,238)
Total Equity	\$ 120,233,372	\$ 126,587,219
TOTAL LIABILITIES & EQUITY	\$ 121,211,851	\$ 127,367,780

STATEMENT OF EARNINGS	2012	2013
INCOME		
Loan Interest Income	\$ 4,886,594	\$ 4,198,262
Income from Investments	\$ 161,534	\$ 232,108
Other Income	\$ 1,539,592	\$ 1,641,974
Total Income	\$ 6,587,720	\$ 6,072,345
EXPENSE		
Operating Expense	\$ 4,113,496	\$ 4,192,170
Provision for Loan Losses	\$ 342,514	\$ (254,504)
Interest/Borrowed Money	\$ 0	\$ 0
(Inc.)/Exp. Sale Fixed Assets	\$ 0	\$ 0
Non Operating Income	140,047	51,331
Gain/Loss Sale of Investments	\$ 0	\$ 0
Gain From Bargain Purchase	\$ (197,649)	\$ 0
Total Expense	\$ 4,398,408	\$ 3,988,997
NET INCOME	\$ 2,189,312	\$ 2,083,348
DISTRIBUTION OF NET INCOME		
Dividends to Members	\$ 346,987	\$ 223,830
To Reserve & Undivided Earnings	\$ 1,842,325	\$ 1,859,518

In Other GB News...

Our 2014-2015 Scholarship Winner



We are proud to introduce to you Maureen Choman, the recipient of the 2014-2015 Great Basin Federal Credit Union \$1,000 Scholarship. Maureen is currently pursuing her Master's Degree in Biology from the University of Colorado – Pueblo. She is expected to complete the program in the spring of 2015. Ms. Choman's passion for biology has overlapped with her desire to serve the elderly community through volunteering for the Summer Service Learning Program, an eight-week immersion program where she assisted the elderly. It was that experience, as Maureen wrote about in her scholarship essay, which inspired and prepared

her to assist in research that could lead to a better understanding of what promotes healthy aging. Maureen has demonstrated a sincere commitment to her academics while also dedicating much of her time to her community. It is for those reasons that she was selected to receive this year's scholarship. We wish Maureen all the luck and success for the future.

Financial Literacy Education. In 2013, Great Basin Federal Credit Union helped provide financial literacy education to over 500 students in ten different middle and high schools in Washoe County. It is through the credit union's sponsorship of the Banzai Financial Literacy Program that we were able to team with area teachers and provide this much needed education to our community's youth. We could not be more proud of the impact this will have on the future of our community. For more information, email marketing@greatbasin.org.

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