



Great Basin Federal Credit Union

2007 Annual Report

A Message from the President and Board of Directors

Strength, consistency, and service are values that those of us responsible for management of the credit union contemplate anew today. We find ourselves confronted with troubled economic times brought on, in part, by the desire of large financial institutions to maximize profits without regard of the ramifications to either the consumer or the economic health of the country. Today, we reaffirm the value of America's credit unions and their cooperative not-for-profit structure as we demonstrate the strength of people coming together in a community and cooperatively providing loans and shelter for their deposits to their mutual benefit. When you remove profit as a motive for a financial institution, it leaves SERVICE. What a wonderful concept.

The board and management of Great Basin Federal Credit Union are confident of its future and ability to weather this storm and continue to provide for the credit needs of its members. Great Basin has been primarily a provider of consumer loans to its members with 83% of our loans coming from vehicles, VISA® and other non-real estate loans. Only 6% of our loans are in first mortgage loans. Our accumulated reserves finished the year at 9.81% of assets, maintaining our position as one of the strongest financial institutions in the country. During the budgeting process, we also chose to fund extra amounts in 2007 for potential additional loan losses in 2008. With this foresight, we are again forecasting another fiscally sound year in 2008 for the credit union while we work to provide optimal loan and deposit rates with minimal fees to our members.

In late 2007, Great Basin also opened our newest branch in the Sparks Crossing Shopping Center in northern Sparks. We have long had a substantial membership in the area and we are excited to provide this heightened level of service and convenience to our members. Furthermore, we welcome to membership the many residents in this fast-growing area.

It is with deep sorrow that we remember the passing of Gino Del Carlo, our President/CEO, on October 6th. He had been president of Great Basin for the past 13 years, as well as holding extensive banking positions in Northern Nevada throughout his career. His vision for the credit union and the passion and love for his family, friends, and the community were an inspiration. We have resolved to continue in the vision he has laid out before us to deliver an Ultimate Service Experience to every member and to the community that he loved so much. We will all miss him dearly.

Board of Directors in Action *Sparks Crossing Branch Grand Opening*

Be a part of all of the action by exercising your rights as a credit union member - run for a Board of Directors or Supervisory Committee position next year!

Our Board of Directors and Supervisory Committee are made up of our members and not faceless investors. They help guide the credit union toward financial soundness and represent the Great Basin Federal Credit Union membership as a whole.

Board of Directors and Supervisory Committee members are representatives of the community as well as all have their "regular" jobs throughout the region.

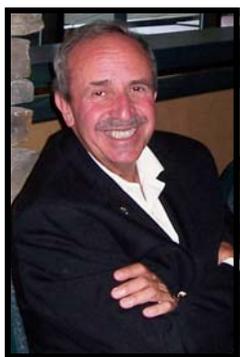
Be a voice of Great Basin Federal Credit Union!



Pictured left to right: CEO/President Dennis Flannigan, Board of Directors Member Jan Gilbert, Vice Chairperson of the Board of Directors Jim Dickey, Board of Directors Member Mike Cassingham, Board of Directors Chairperson Patty Downs

2007 Financial Statement

	2006	2007
ASSETS		
Cash on Hand & on Deposit	\$ 1,667,773	\$ 1,269,652
Personal Loans	\$ 100,153,175	\$ 103,922,229
Allowance for Loan Losses	\$ (1,808,225)	\$ (1,710,818)
Investments	\$ 8,506,854	\$ 10,545,290
Fixed Assets	\$ 4,148,473	\$ 4,281,150
Other Assets	\$ 3,077,367	\$ 3,664,029
Total Assets	\$ 115,745,418	\$ 121,971,532
LIABILITIES		
Other Liabilities	\$ 1,359,424	\$ 2,497,967
Notes Payable	\$ 0	\$ 0
Total Liabilities	\$ 1,359,424	\$ 2,497,967
EQUITY		
Shares held by Members	\$ 102,924,146	\$ 107,513,837
Regular Reserve	\$ 1,082,722	\$ 1,082,722
Undivided Earnings	\$ 10,336,853	\$ 10,853,314
Unrealized Gains (Losses)	\$ 42,273	\$ 23,691
Total Equity	\$ 114,385,993	\$ 119,473,565
TOTAL LIABILITIES & EQUITY	\$ 115,745,418	\$ 121,971,532
STATEMENT OF EARNINGS INCOME		
Loan Interest Income	\$ 7,885,765	\$ 8,009,805
Income from Investments	\$ 102,653	\$ 377,689
Other Income	\$ 1,100,505	\$ 1,284,350
Total Income	\$ 9,088,922	\$ 9,671,844
EXPENSES		
Operating Expenses	\$ 4,733,591	\$ 5,315,791
Provision for Loan Losses	\$ 1,221,174	\$ 946,220
Interest/Borrowed Money	\$ 173,392	\$ 0
(Inc.)/Exp. Sale Fixed Assets	\$ (100)	\$ 4,665
Non-Operating Income	0	(159,018)
Gain/Loss Sale of Investments	\$ 0	\$ 0
Total Expenses	\$ 6,128,057	\$ 6,107,658
NET INCOME	\$ 2,960,866	\$ 3,564,186
DISTRIBUTION OF NET INCOME		
Dividends to Members	\$ 2,114,820	\$ 3,047,725
To Reserve and Undivided Earnings	\$ 846,046	\$ 516,462
TOTAL DISTRIBUTION	\$ 2,960,866	\$ 3,564,186



In Memory of Gino Ray Del Carlo

As we are well on our way into 2008, the Great Basin Federal Credit Union family would like to remember our great friend, mentor, and leader of many years, Gino Del Carlo, who sorrowfully passed on a beautiful fall day last October. Gino planned on retiring on April 1, 2008. Although he was unable to enjoy his official retirement, he would be proud of the legacy he is leaving behind.

As many of you know, Gino was an amazing visionary, motivator and friend to not only those people who worked for him, but to the community at large. Gino's legacy of the creation of a unique culture in which employees and members can grow, learn, and succeed will proudly be carried on by all of us who have been inspired by him over the past several decades.

Great Basin Federal Credit Union is a thriving institution in which you and your family can trust. We owe a great deal to Gino for making this possible. In 2008, we urge you to remember the importance of family, friends, community, confidence, laughter, integrity, and authenticity. These are all values that Gino not only embraced personally, but that he instilled in everyone with whom he came in contact - which as we all know, was a lot of people! This year, in honor of a great man, Gino Ray Del Carlo, never stop asking yourself how *you* can become a *better you*. That is what Gino always wanted for us all.

- Elisabeth Hadler, Marketing & Business Development Manager