

# Leadership Team

## President and CEO

Christine Blake

## Chief Financial Officer

Eric Rosenblatt

## General Accounting Officer

Lanny Berlingieri

## Partners

Lake Catholic High School  
Lakeland Community College  
Notre Dame-Cathedral Latin School  
Willoughby-Eastlake City Schools  
Northern Career Institute  
North High School  
South High School  
Willoughby-Eastlake School of Innovation

## Select Employee Groups

## Local Auto Dealerships

## Board of Directors

**Sandy Hamo**  
Chairperson

**William Patrick, Jr.**  
Vice Chairman

**Ed Brown**  
Treasurer

**Randal Mears**  
Secretary

**James Brumbaugh**  
Director

**Kenneth Deken**  
Director

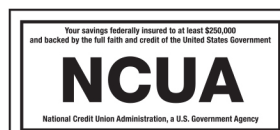
**James Gray**  
Director

**Kathleen O'Connell-Burton**  
Director

**Jeffrey Shibley**  
Director



8500 Westport Drive  
Mentor, OH 44060



# ANNUAL REPORT 2020





Dear Members, Colleagues, and Friends:

As we look back at a very eventful year, a period of profound political and economic change, it is astounding how much Cardinal has accomplished. The fiscal performance is notable with our strength in capital and our ability to quickly adapt to serve our members, communities, and businesses across Northeast Ohio. We want to thank all of you for your confidence, patience, and understanding in 2020.

During 2020, uncertainty reigned. Our mission, however, did not waiver: to brighten our members’ financial future. We were able to support members’ monetary goals, reinvest profits back into the credit union, and head into the future with action to improve the households we serve.

Our team reworked investments and quickly established a Small Business Administration partnership setting up a simple process for Paycheck Protection Program applicants. We accelerated investments in hardship assistance programs offering much-needed relief promptly. The debit card was modernized with contactless payment, a new logo, and enhanced security features.

In November, we introduced Advantage Checking: an account with personal protection benefits and tools offering savings on things you purchase every day. The monetary discounts are numerous and varied: shopping and dining coupons from local merchants, cell phone protection, roadside assistance, and personal identity theft benefits, to name a few.

Last year, we boldly embraced change, and leveraged technology rolling out digital wallet payment options. We enhanced remote check deposit capabilities, implemented a free text system alerting debit and credit card-holders to potentially fraudulent transactions, and online appointment scheduling.

Although the pandemic and its economic slowdown have been difficult, we are happy to report Cardinal had a solid year and is progressing despite challenging conditions. We believe by reinvesting liquidity in our people, products, and services that help change members’ lives for the better, is an investment in our collective future. We hope it offers value and promise knowing your credit union has been steadily investing in technology, expanding our service team, and making other infrastructure improvements today, that will deliver significant, long-term savings, tomorrow.

Respectfully submitted,

Sandy Hamo  
Chairperson of the Board

Christine Blake  
President and CEO

Audit Oversight Committee Report

The Audit Oversight Committee is responsible for overseeing the financial records and monitoring and evaluating the credit union’s operations and compliance practices. This is accomplished by supervising the external audit that is performed annually.

This year’s external audit was conducted by the certified public accounting firm of Lillie & Company, LLC. The results of the audit of Cardinal Credit Union indicate that our financial reports are properly prepared and fairly reflect your credit union’s financial condition.

James Brumbaugh | Audit Oversight Committee Chairperson

	2020	2019
INTEREST AND DIVIDEND INCOME		
Loans	\$ 9,334,077	\$ 9,523,419
Investments	634,599	1,110,805
Total interest and dividend income	9,968,676	10,634,224
INTEREST AND DIVIDEND EXPENSE		
Share accounts	884,162	1,173,088
Borrowings	130	0
Total interest and dividend expense	884,292	1,173,088
NET INTEREST INCOME	9,084,384	9,461,136
Provision for loan losses	2,146,979	916,823
Net interest income after provision for loan losses	6,937,405	8,544,313
NON-INTEREST INCOME		
Fees, charges, interchange, and other	3,873,144	3,688,278
Gain (loss) on sale of assets	510,438	(225,336)
Gain (loss) on sale of investments	0	0
Total non-interest income	4,383,582	3,462,942
NON-INTEREST EXPENSE		
Compensation and benefits	5,275,629	6,130,114
Office operations	878,719	915,686
Member education and promotion	158,604	410,308
Occupancy	362,949	482,973
Professional fees	1,237,490	1,239,667
Operating fees and card processing	1,156,652	1,148,994
Other	590,839	817,127
Total non-interest expense	9,660,882	11,144,869
NET INCOME	\$1,660,105	\$862,386

Financial Condition  
Balance Sheets - December 31, 2020 and 2019

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 37,699,419	\$ 13,000,568
Investments	25,639,185	29,784,892
Net loans to members	189,858,797	181,720,370
Loans held for re-sale	255,000	0
Property and equipment, net	4,087,464	4,830,249
Reposessed assets	0	0
Prepaid expenses and other assets	4,544,414	6,815,260
Total assets	\$262,084,279	\$236,151,339
LIABILITIES AND MEMBERS’ EQUITY		
LIABILITIES		
Members' shares	225,418,286	201,820,334
Accounts payable and accrued liabilities	4,440,363	3,742,360
Total liabilities	229,858,649	\$205,562,694
MEMBERS’ EQUITY		
Appropriated statutory reserve	5,753,036	5,403,036
Unrealized gain (loss) on securities	166,605	189,725
Retained earnings	26,305,989	24,995,884
Total members' equity	32,225,630	30,588,645
Total liabilities and members’ equity	\$262,084,279	\$236,151,339