

# LEADERSHIP TEAM

## President/CEO

Christine Blake

## Chief Financial Officer

Lanny Berlingieri

## Chief Operating Officer

Mario Duvnjak

## Chief Lending Officer

Justas Adomavicius

## Partners

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

## Select Employee Groups

### Local Auto Dealerships

## Board of Directors

Sandy Hamo  
Chairperson

Randal Mears  
Vice Chair

Ed Brown  
Treasurer

Kathleen O'Connell-Burton  
Secretary

James Brumbaugh  
Director

Kenneth Deken  
Director

James Gray  
Director

Jeff Shibley  
Director

# ANNUAL REPORT 2024



THE PLAIN DEALER  
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**Dear Members,**

As we embark on another year, we are excited for what's to come and even more excited about what we accomplished in 2024. Our team's dedication, innovation and commitment have laid a strong foundation for our future success. We have achieved several milestones that are providing strong benefits to our members and the community as evidenced by the credit union's stellar performance in 2024. Cardinal increased its total assets to more than \$313 million, earning an above average margin and increasing our membership share base to more than \$274 million, despite uncertain economic conditions.

Our primary focus in 2024 was our digital transformation initiative that helped accelerate and advance our use of technology so that members can bank when, where and how they want. Now eight months in, the new online platform is delivering an intuitive member experience that is seamless and easy to navigate and provides users with strong security, essential to online banking. New features include online bill pay, enhanced security features such as locking and unlocking debit/credit cards and setting electronic alerts, personalized financial recommendations, a new dashboard, increased self-service functions, and instant transfers via Zelle among other key enhancements.

We are also extremely proud of our financial education work in the community, supported by our partnership with the Cleveland Browns as their official credit union. We launched our Lil' Brownies Savings program at the Cleveland Browns training camp in late summer. This first-of-its-kind program is available to all school-aged children and their families at no charge. Staying true to our charter to make financial education fun, the Lil' Brownies Saving program comes complete with the Brownies the Elf VISA debit card. The card allows for parental controls, parental allowances, payment for grades, and budgeting plus other youth financial education tools to teach real-life financial lessons.

The Lil' Brownies Savings program complemented Cardinal's ongoing community financial education initiatives. Cardinal continues to offer an integrated financial education program at area high schools, where students are given the opportunity to learn more about positive money management through a hands-on approach that includes running our six in-school branches.

For the first time, we hosted the Visa NFL Financial Football at the Browns' stadium in the fall. At this event, high schoolers from Lake Catholic, Mentor High, Willoughby South and Eastlake North gathered along with Browns players Nick Chubb and Mo Hurst, to learn more about smart money management in a fun, interactive format. This was in addition to our annual hosting of the Mad City Money competition which saw more than 300 students and 100 teams participate in a simulated game of life and were awarded scholarships. The list of community-centric programs didn't stop there with the community gaining access to our complementary quarterly financial wellness workshops and in-person monthly homebuyer seminars as we live out our mission of 'People Helping People'.

As we head into 2025, our goal is to continue to provide an unparalleled banking experience including personalized member service, the best rates and the best financial products available. At the heart of our efforts remains our quest for excellence in all that we do for our members, and for our community.

Thank you for your trust and support in 2024. We are very excited for the coming year, including the addition of new retail branches in Austintown and Willoughby. We look forward to seeing you online or in-person at one of our many branches located right here in your community. We are here for you and look forward to delivering the personalized service you've come to know and expect from Cardinal Credit Union. Here's to another terrific year!

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 GBQ Partners, 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.

**Jeff Shibley**  
Audit Oversight Committee Chairperson

**INTEREST AND DIVIDEND INCOME**

|   | <b>2024</b>       | <b>2023</b>       |
|---|-------------------|-------------------|
| Loans                                     | \$ 12,117,481     | \$ 10,645,244     |
| Investments                               | 2,434,939         | 1,940,747         |
| <b>Total interest and dividend income</b> | <b>14,552,420</b> | <b>12,585,991</b> |

**INTEREST AND DIVIDEND EXPENSE**

|  |                  |                  |
|--|------------------|------------------|
| Share accounts                             | 4,068,897        | 2,486,374        |
| Borrowings                                 | 82,419           | 18,497           |
| <b>Total interest and dividend expense</b> | <b>4,151,316</b> | <b>2,504,871</b> |

**NET INTEREST INCOME**

|  |                  |                  |
|--|------------------|------------------|
| Provision for loan losses                                  | 579,094          | 349,443          |
| <b>Net interest income after provision for loan losses</b> | <b>9,822,010</b> | <b>9,731,677</b> |

**NON-INTEREST INCOME**

|                                       |                  |                  |
|---------------------------------------|------------------|------------------|
| Fees, charges, interchange, and other | 3,816,209        | 3,489,534        |
| Gain (loss) on sale of assets         | 227,107          | (412,517)        |
| Gain (loss) on sale of investments    | 0                | 0                |
| <b>Total non-interest income</b>      | <b>4,043,316</b> | <b>3,077,017</b> |

**NON-INTEREST EXPENSE**

|                                    |                   |                   |
|------------------------------------|-------------------|-------------------|
| Compensation and benefits          | 6,626,727         | 6,476,189         |
| Office operations                  | 978,257           | 905,443           |
| Member education and promotion     | 1,323,090         | 956,064           |
| Occupancy                          | 781,652           | 675,252           |
| Professional fees                  | 1,871,214         | 1,767,425         |
| Operating fees and card processing | 1,303,160         | 1,233,606         |
| Other                              | 955,491           | 1,012,323         |
| <b>Total non-interest expense</b>  | <b>13,839,591</b> | <b>13,026,302</b> |

**NET INCOME**

|  |           |              |
|--|-----------|--------------|
|  | \$ 25,736 | \$ (217,608) |
|--|-----------|--------------|

**Financial Condition**

Balance Sheets - December 31, 2024 and 2023

**ASSETS**

|                                   | <b>2024</b>           | <b>2023</b>           |
|-----------------------------------|-----------------------|-----------------------|
| Cash and cash equivalents         | \$ 12,074,011         | \$ 26,672,704         |
| Investments                       | 38,336,677            | 34,858,370            |
| Net loans to members              | 248,333,713           | 219,902,210           |
| Loans held for re-sale            | 98,000                | 0                     |
| Property and equipment, net       | 6,403,079             | 4,925,757             |
| Repossessed assets                | 0                     | 0                     |
| Prepaid expenses and other assets | 7,999,926             | 6,445,049             |
| <b>Total assets</b>               | <b>\$ 313,245,406</b> | <b>\$ 292,804,090</b> |

**LIABILITIES AND MEMBERS' EQUITY**

**LIABILITIES**

|  |                       |                       |
|--|-----------------------|-----------------------|
| Members' shares                          | 274,367,484           | 253,308,030           |
| Accounts payable and accrued liabilities | 6,271,526             | 6,964,670             |
| <b>Total Liabilities</b>                 | <b>\$ 280,639,010</b> | <b>\$ 260,272,700</b> |

**MEMBERS' EQUITY**

|  |                       |                       |
|--|-----------------------|-----------------------|
| Appropriated statutory reserve               | 6,188,036             | 6,188,036             |
| Unrealized gain (loss) on securities         | (3,036,710)           | (3,085,980)           |
| Retained earnings                            | 29,455,070            | 29,429,334            |
| <b>Total members' equity</b>                 | <b>32,606,396</b>     | <b>32,531,390</b>     |
| <b>Total liabilities and members' equity</b> | <b>\$ 313,245,406</b> | <b>\$ 292,804,090</b> |