

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
Note 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

Jeff Shibley
Director

James Brumbaugh
Director

Kenneth Deken
Director

James Gray
Director

ANNUAL REPORT
2023



CHAIRPERSON and PRESIDENT’S REPORT

Dear Members,

Built on integrity, innovation, and superior member service, Cardinal continues its heritage of adapting and meeting the needs of its members and the community despite the challenging economic conditions experienced throughout 2023. In fact, Cardinal saw strong growth in 2023, increasing total assets to over \$290 million, earning an above average margin, and growing our membership share base to \$253 million, despite experiencing a loss from the sale of our Willoughby branch so that Cardinal is well positioned for the future. We also were able to give back to our membership with high standard and promotional certificate products that met or exceeded like offerings from other financial institutions.

In addition, Cardinal opened a second branch in Mentor to better serve our members and now boasts a growing footprint of six retail branches and seven student-run branches spanning nine Northeastern Ohio counties. Cardinal received multiple honors in 2023. Our greatest honor was being recognized by the Credit Union National Association (CUNA). Cardinal was awarded first place for the 2023 Desjardins Adult Financial Education Award that recognizes credit union leadership for financial education initiatives for members and non-members of all ages, in the category of \$250M to \$1B in assets. Cardinal Credit Union is the only credit union in Ohio and one of just 10 nationally to receive this honor. In addition, Cardinal was designated a Top Workplace by the Plain Dealer and Cleveland.com for the third consecutive year, demonstrating that our people are our greatest asset.

In keeping our tradition of people helping people, Cardinal Credit Union continues to provide financial education throughout the community with an integrated financial education program at area high schools and Lakeland Community College. Our goal is to give students a chance to learn more about positive money management through a hands-on approach. And Cardinal didn’t stop there. In 2023, we continued to offer our members access to complimentary financial education opportunities such as quarterly financial wellness workshops and in-person monthly homebuyer seminars.

However, the highlight of 2023 was our partnership with the Cleveland Browns as the official credit union of the team. As part of this alliance, Cardinal launched a series of financial education initiatives aimed at educating today’s youth on financial matters including the launch of the Lil Brownies program that allows parents to open a free account with a Brownie the Elf debit card. Working with their children, parents are able to provide oversight for interactive financial activities including parental card controls, transaction requests and notifications, parental allowances and payment for grades, budgeting, and youth financial education tools. In addition, Cardinal also offered account holders opportunities to attend games, the Browns’ training camp and to be placed in a drawing for autograph sessions.

As part of our activities with The Cleveland Browns, we hosted a Food Drive to benefit the W-E Care Food Pantry, located within the Northern Career Institute – Eastlake Campus helping families within the school district that suffer from food insecurity. With the support of Cleveland Browns running back Kareem Hunt, Cardinal Credit Union collected more than 500 non-perishable food items in time for the holidays.

While we were busy serving the community, we continued to deliver new member services including The Buy Now Refinance Later program that allows members to refinance any loan within the next 24 months. This helps people feel comfortable buying their dream home or perfect auto today, knowing that they will be able to refinance it when the rates are lower.

We could not be prouder of the progress we are making! As we head into 2024, our goal is to provide unparalleled banking experience including the best rates and best financial products available, right here in our own community. We will continue to strive for excellence and in serving our members and our community, first and foremost.

Thank you for your trust and support in 2023! We can’t wait to see what 2024 brings our way.

Respectfully submitted,

Sandy Hamo
Chairperson of the Board

Christine Blake
President and CEO



CHAIRPERSON and PRESIDENT’S 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.

Jeff Shibley
Audit Oversight Committee Chairperson

Statements of Income
Years ended - December 31, 2023 and 2022

	2023	2022
INTEREST AND DIVIDEND INCOME		
Loans	\$ 10,645,244	\$ 9,307,866
Investments	1,940,747	791,427
Total interest and dividend income	12,585,991	10,099,293
INTEREST AND DIVIDEND EXPENSE		
Share accounts	2,486,374	313,471
Borrowings	18,497	1,761
Total interest and dividend expense	2,504,871	315,232
NET INTEREST INCOME	10,081,120	9,784,061
Provision for loan losses	349,443	155,520
Net interest income after provision for loan losses	9,731,677	9,628,541
NON-INTEREST INCOME		
Fees, charges, interchange, and other	3,489,534	3,623,912
Gain (loss) on sale of assets	(412,517)	143,926
Gain (loss) on sale of investments	0	(149,565)
Total non-interest income	3,077,017	3,618,273
NON-INTEREST EXPENSE		
Compensation and benefits	6,476,189	6,296,328
Office operations	905,443	860,044
Member education and promotion	956,064	1,212,334
Occupancy	675,252	541,891
Professional fees	1,767,425	1,544,819
Operating fees and card processing	1,233,606	926,292
Other	1,012,323	875,032
Total non-interest expense	13,026,302	12,256,740
NET INCOME	\$ (217,608)	\$ 990,074

Financial Condition

Balance Sheets - December 31, 2023 and 2022

ASSETS	2023	2022
Cash and cash equivalents	\$ 26,672,704	\$ 21,901,224
Investments	34,858,370	31,580,095
Net loans to members	219,902,210	222,317,085
Loans held for re-sale	0	0
Property and equipment, net	4,925,757	5,980,084
Reposessed assets	0	0
Prepaid expenses and other assets	6,445,049	7,108,925
Total assets	\$ 292,804,090	\$ 288,887,413

LIABILITIES AND MEMBERS’ EQUITY

LIABILITIES		
Members’ shares	253,308,030	250,696,788
Accounts payable and accrued liabilities	6,964,670	5,714,593
Total Liabilities	\$ 260,272,700	\$ 256,411,381
MEMBERS EQUITY		
Appropriated statutory reserve	6,188,036	5,753,036
Unrealized gain (loss) on securities	(3,085,980)	(3,342,992)
Retained earnings	29,429,334	30,065,988
Total members’ equity	32,531,390	32,476,032
Total liabilities and members’ equity	\$ 292,804,090	\$ 288,887,413