Dave Cohen:

Welcome to the SeaComm Podcast, your place for the latest on what's happening at SeaComm and helpful tips on saving and protecting your money.

Dave Cohen:

Welcome, everyone, to another SeaComm podcast. I am Dave Cohen. And sitting with us today is president and CEO of SeaComm, Scott Wilson. Scott, thank you for joining us today.

Scott Wilson:

Hi, Dave. I always enjoy these types of chats.

Dave Cohen:

These chats I think are really important. We are already in the fourth quarter right now, so having quarterly chats with you, hearing how the credit union is doing, I think is great thing, not just for our listeners, but for our members as well. So how's the credit union doing for the first three quarters of the year?

Scott Wilson:

Well, first of all, Dave, we've had an excellent quarter. We dispersed more than $104 million worth of loans year-to-date. That's comparing to the same period of last year, around 89 million, which is giving us a loan growth rate of 5.49% year-to-date. And that's really above our goal of 2.53%, which means we're putting loans into our members' hands, whether it's for a new auto, or a credit card, or maybe a home equity line of credit, whatever the need is, we're able to take care of those requests.

We also have paid out $4.2 million in dividends to our members. I think that's certainly a good indication that our members continue to trust us with their deposits. And delinquency ended at 0.52% compared to goal of 110. What does that mean, Dave? It means that we have good underwriting and our members are paying us back. At the end of the day, there are folks that do get into some situations that they're unable to make payments back to us. They work with our resolution staff, make some sort of arrangements so we can get back on track, and we're always happy to work with them, of course.

Net income year-to-date, $8.6 million. That's above our budget of 2.9 million. We're at a 1.5% ROA versus a goal of 1%. That's the return on average asset that's an indicator of our profitability. Net operating expenses, we try to be as efficient as possible, our members' money. We have a goal of 2.75%. We were at 2.31%, or we're $1.9 million below our budget forecast. So we're really doing a really good job in terms of where we are at the end of Q3.

One of the things I always like to mention is our capital, the rainy day fund, so to speak, with the money we've put away with our retained earnings. And we have a requirement by our regulator, the National Credit Union Administration to keep at least 7% of our assets in capital. Today, we set a tier one at 19.93%. It's well above the regulatory requirement. And our undivided earnings are $139,024,344. That gives us a lot of cushion for a number of things, but in essence, they always want to make sure that the credit union could continue if there's some economic anomaly that might affect the economy, so to speak.

I want to spend a little bit of time talking about service. Service, Dave, remains our top priority, as you know, and our 6.88% quarter goal so far proves that we're exceeding our own expectations of meeting or exceeding our members' expectation of service.

So here in front of me, you can't see it, but I want to talk a little bit about a Quality Loop survey. We're striving to obviously deliver the very best we can with every single transaction. So we ask a number of questions. "Could you rate us from one to seven?" One being could be better to absolutely top rate, seven. "Were we friendly, attentive, and knowledgeable?" "Did the representative help you in a timely manner and express appreciation for your business?" "Was your transaction handled professionally and accurately?" "Did we make you feel valued?" And overall, and this is the one I really pay a lot of attention to, "Were you satisfied with the overall service you received?" To get 6.88 out of seven is a really remarkable feat with the amount of transactions we do every single day at the credit union.

And by the way, our members deserve to have the best of service. We don't make any excuse for having high expectations, and we will continue to strive to make sure that we're meeting that every single day for our members.

We did add a new feature in the quarter for Access Digital. Now members are able to see their credit card balances in real time in their app and make payments directly without having to transition to our online card access site. So that was a really nice addition this year. We continue to grow SeaComm Insurance Agency by providing excellent service to the members and attaining the best in premium pricing as possible. Tom Bellinger and his team are doing an outstanding job and I couldn't be more pleased. And Mat Hastings at our personal financial advisor services continues to provide a path for those members who want to have a financially secure retirement. Today we have more than $106 million of assets under management in that program, and Mat continues to provide that very personalized service.

So those are some of the highlights of the year so far. And what I want to say is that we will continue to provide the very best value to our membership, including exploring new products and services on a regular basis. In 2027, we expect to have some new robust services that will enhance obviously like our access digital channel through mobile app, or any of the other things that we're always continue to evaluate.

The board of directors really makes certain that we're meeting or exceeding all of our stated budget goals, and quality asset goals that we set forth in our budget process, which is coming up here in the near future.

Dave Cohen:

One of the things that you have mentioned in past interviews is that the biggest challenge that we face, and that a lot of the community faces, is fraud. And I was hoping maybe you could talk about the special presentation that we had a little while ago for the community, because I think it was a big deal and it had a lot of great information.

Scott Wilson:

Yeah. We brought in a former Secret Service agent, Sean Donlon, who came to Massena. We did two community educational sessions along with the New York State Bureau of Criminal Investigations. And basically, that fraud training was to make the community aware that there are a variety of ways people are trying to take money from you, including maybe your identity.

And Sean brought a very broad view of things he dealt with in his sector. He was responsible for Vermont up to Maine, and we thought that this would give those who attended a practical approach. We also brought in the BCI for New York State Police because they're local law enforcement, and they're the ones that would handle some of these investigations and they brought that particular piece into play as well.

I will tell you, Dave, we're planning three specific locations for 2027, the spring, to bring it to other communities that we have a branch or market presence, because I think it's worthwhile to continue to make sure we're expanding community outreach on this particular topic.

Dave Cohen:

You mentioned 2027. I would love to hear if you have any outlook or any ideas or predictions. What is your goals for, not just the coming year, but maybe three to five years down the line?

Scott Wilson:

Well, I really don't want to get into what we think we're going to do. What I'm going to tell you what we are going to do, we're going to continue to exceed our member's expectation of service. Reliability of our digital platforms and making sure that our branch operations are operating at the peak efficiencies to ensure that our members have access to our FSRs, or cash operations. All of those things are extremely important. What I will tell you is that we are always looking forward and thinking about what the future will look like. And part of that is planning with capital, ensuring we have sufficient capital to be able to do those things. Unfortunately, nothing goes down. The cost of infrastructure, specifically information security, is extremely expensive. And that is one area we don't try to be efficient in. We spend a lot of money on that, it's one of our largest line items in our budget, and that's because we want to make sure that we're protecting the assets of this organization and the members who own us.

Dave Cohen:

Scott Wilson, SeaComm president and CEO, thank you so much for sitting down with us today. Any final thoughts or comments?

Scott Wilson:

I look forward to coming back in January and giving you a recap of how the rest of the year finished out. And again, I always appreciate this opportunity, Dave.

Dave Cohen:

Well, I think it is a great opportunity, not just for us to hear from you, but to see the transparency and the information that you're willing to give. As a credit union, people helping people is such a big part of who we are, and hearing from you exactly how we're doing, and our plans, and our goals for the future, I think is a big part of what makes us special. So thank you so much.

Scott Wilson:

Thank you, Dave.

Announcer:

Thank you for joining us for this edition of the SeaComm Podcast. We hope you'll listen in again.