

Intro: Welcome to the SeaComm Federal Credit Union podcast, your guide to financial information and what's going on at your credit union.

Jerry: Once again, we're talking with the SeaComm President and CEO, Scott Wilson. And Scott, things have changed considerably since the last time we spoke.

Scott Wilson: Yes, Jerry. You know, when we started 2020 the focus on the credit union was we did really well in 2019, we were going forward and then all of a sudden the brakes hit and we were on pause about mid-March. And we had to make some changes operationally here at the credit union.

Jerry: How has that gone so far?

Scott Wilson: Well, honestly, better than we expected. When you change how you've done business for 56 years, that makes a difference in terms of how people are used to coming into a branch and doing whatever they need to do. And as you know, we have limited our branch visits to by appointment only for very specific reasons. And all transactional business must be done through our drive-ups.

Jerry: You know, I've talked to some members who are kind of getting used to that idea and enjoy it.

Scott Wilson: Yes, I think some of it is, I've never used it and it was available, but now that I'm being forced to use it, I kind of like it and I may continue to do that. And when everything opens up, Jerry, and it will, we'll be going back to people will be able to come in the branch and enjoy that same opportunity they've had in the past, including our free coffee. So that's one of the things I do hear from members that boy, I miss your coffee. And we can't wait to the day that we're able to open back up.

Jerry: Absolutely. And the other thing I've noticed is people are getting comfortable with our e-services.

Scott Wilson: Yeah, we've seen that over the last several years, Jerry. We've seen an uptick in usage of our mobile application, our NetTeller. Obviously those are for ease of use from the convenience of your home or office. But now that folks can't come in like they normally do, they're absolutely using those services more, and mobile deposit capture with the check imaging, really for most people it's been a lifesaver. So they haven't even had to come to the drive-up, they've been able to put their money in via that delivery channel and being able to access the cash through our network of ATMs.

Jerry: You know, it's been amazing. People are resilient and they have managed to adjust to the new normal. When we go back to the, it won't be the old normal I don't think. It'll be a new normal again, but I think they'll adjust to that as well.

Scott Wilson: Yeah. One of the things that I think is really unique about us is we adapt very quickly to situations.

Scott Wilson: This is an unfortunate situation that we're in today. Certainly unprecedented, but the fact is that yes, I think initially it was an inconvenience for folks, but everyone understands it's for the safety of both the members and the staff, and we're following all the guidelines of the CDC and frankly, I think it's worked. And we're still able to meet the needs of our members that they've always come to expect.

Jerry: And I think that's important to mention. You didn't know this particular crisis was going to occur, but SeaComm was ready for whatever happened.

Scott Wilson: Yeah. When we left 2008 and nine, if everybody remembers the great recession, it was an economic crisis. This began as a health crisis, which now became a financial crisis. But back after 2008 we started to look at how are we going to survive the next one, and we did fairly well, but our capital levels in 2009 were much different than they are today.

Scott Wilson: So we started to build up our capital reserves and then we started stress testing our capital and our liquidity. If you think about 2008 and nine, it was a liquidity problem. There wasn't anybody lending money, there wasn't enough money in the system to be lent out and that stops everything. That's really what we're talking about. This particular case has done similar things in terms of the business that's stopped. But when we look back and say, okay, do we have enough liquidity to operate? It means can we open our doors so to speak? Can we lend money and still pay all our bills? And the answer is yes. And so we've been stress testing that liquidity for a number of years.

Scott Wilson: We also built up our capital reserves, Jerry, to a record high for us, over \$92 million. And that money is there for what we call the rainy day fund or when we felt some kind of an economic anomaly. By the way, this is probably the most severe we've ever seen and we're going to be able to weather this completely well in terms of making sure that our members are getting taken care of and getting all the things they need. That means can they get loans still? Yes. Can they come in and get cash? Yes. And our employees are all still working. Yes. All of that stuff matters.

Jerry: It's important for people to know that everybody's still here and we're going to take care of the members needs. And we're going to take a look at each on a case by case basis and do whatever we can to help them.

Scott Wilson: Yeah. That's one of the things we've done really well, Jerry. Whether it's this issue or back in 2008 or any issue, if there is something that a member needs because they've got themselves into a situation that they feel that they can't get out of economically or like this, they've been forced into a situation of not working or being furloughed.

Scott Wilson: We're here to help. That's what skips, extensions, obviously forbearances for mortgage payments, the temporary things to get you through this unprecedented time.

Jerry: It's gratifying for me to work here to see people being helped every day. I see it every day, and I hear about it every day and that's really gratifying.

Scott Wilson: Yeah. One of the things that has kept me upbeat about this whole situation is that we have been focused on our mission, the mission of ensuring that our financial needs of our members are being met. Almost daily we get notes from our members thanking us for being open, you're doing a terrific job. In fact, here at 30 Stearns Street, our headquarters branch, we've had several deliveries of pizza, and soda, and wings in appreciation for the branch staff who are coming to work every day.

Jerry: That's right.

Scott Wilson: They're our heroes, making sure that you have access to your money. And you can't ask for more than that. I am very proud of the work our staff is doing and we haven't missed a step. We have ensured that we're doing everything we normally would do under this temporary new normal operating environment, but the fact remains is that we're going to be here and do everything possible to take care of our membership.

Jerry: What do you see coming down the pike? What's ahead for us?

Scott Wilson: Well, certainly we're on pause right now, Jerry, as everyone is aware, and certainly there's a lot of people out there that want things to be opened up. And I think the governor of New York just recently announced that there would be opening up maybe by region, but when that opens up, we're not going to just hit the switch and everything's going back to normal. I think we're going to be in a new kind of a normal, the social distancing. There may be less seats at a restaurant or a movie theater, from what I understand, but the fact remains is that I think by the time we get through the next quarter and maybe into the fall, if things still go in the direction, we'll get back to where we were. But it's not going to be as fast as people think because we have to be cautious and I think safety is important. And the reality is for the membership, the credit union will work with whatever guidelines we have and we'll make sure everybody stays safe.

Jerry: Now, before I let you go, I need a weather forecast.

Scott Wilson: Well, whatever the weather is outside, our forecast is clear skies and sunny.

Jerry: Thank you, Scott. Scott Wilson, President and CEO of SeaComm.

Outro: That's it for this edition of the SeaComm Federal Credit Union podcast. Thanks for joining us.