

*Minutes of the regular meeting of the
COMMUNITY DEPOSITORY INSTITUTIONS ADVISORY COUNCIL (CDIAC)*

10:00 a.m. – 12:00 p.m., March 26, 2026

Federal Reserve Bank of New York

33 Liberty St., 10 NWCR

New York, NY 10045

Present in Person:

**James S. Vaccaro, Chairman, President and CEO, Manasquan Bank, Wall, NJ
Carol A. Allen, President and CEO, People's Alliance Federal Credit Union, Hauppauge, NY
Ronald Belle, President and CEO, AmeriCU Credit Union, Rome, NY
Carlos Naudon, President and CEO, Ponce Bank, Bronx, NY
Colleen C. Young, President and CEO, Bank of Cattaraugus, Cattaraugus, NY
Martin Morgado, President and CEO of Ives Bank, Danbury, Connecticut
Mark Lavarney, President and CEO of Watertown Savings Bank, Watertown, NY
Council Chair

Federal Reserve Bank of New York Attendees:

*John C. Williams, President and CEO
Jack Gutt, Head of Communications and Outreach Group
Nora Fitzpatrick, Chief Operating Officer, Communications and Outreach Group
Courtney Schoenborn, Head of Government & Industry Relations, Communications and Outreach Group
Kartik Athreya, Head of Research and Statistics Group
Janis Frenchak, Function Head of Consumer Compliance, Supervision Group
Paolo Pesenti, Director of Economic Policy, Research and Statistics Group
Daniel Mangrum, Economic Research Economist, Research and Statistics Group
Rosanne Notaro, Assistant General Counsel, Legal Group
Krista Dente, Business Operations Associate, Communications & Outreach
Craig Bradstock, Business Operations Specialist, Communications & Outreach*

Opening

The Council convened at 10:00 a.m. John Williams opened the meeting and welcomed Mark Lavarney to the group. Members discussed national and regional economic conditions, banking trends, and regulatory developments.

Presentations

A presentation was provided by Dr. Pesenti on the national economy highlighting solid economic growth in 2025, though showing high uncertainty around outlook projections due to recent events. Though the economic environment has shown resiliency in large part various measures indicate the economic environment has become more uncertain. With the labor

market remaining softening in recent months, inflation has remained elevated but somewhat steady.

A presentation on the current state of regional household balances provided by Dr. Mangrum showed stability in consumer – credit card and auto - delinquencies, with increases in student loan and mortgage delinquencies particularly for lower income quartiles.

Roundtable of economic and business conditions

Council members reported mixed overall economic conditions in the region, with some areas experiencing reduced cross-border activity and tourism. Participants highlighted persistent inflation pressures. Housing market pressures varied throughout the region, with some areas facing extreme supply shortages and bidding wars, and others show cooling competition, though with continued affordability challenges. Participants noted rising home-equity borrowing, uneven mortgage demand, strong commercial pipelines, and intense competition for deposits, particularly around CDs and money-market products.

Banking conditions and additional matters

Members reported small-business lending, and CRE performance remain steady overall while construction lending is mixed—robust for high-end or second-home projects but slow elsewhere. Council members reported concerning rises in the sophistication of various types of fraud, prompting banks to increase staffing, budgets, and adoption of AI-based fraud-detection tools. Overall, the members agreed that continuing to strengthen fraud prevention capabilities while taking advantage of AI products for fraud detection and efficiencies will increase as both AI-driven threats and use cases continue to evolve.

Closing

President Williams provided closing remarks, thanked everyone for their participation and provided a reminder for upcoming meetings.

Meeting adjourned at 12:00 pm.