Minutes of the meeting of the
SECOND DISTRICT ADVISORY COUNCIL

June 4, 2026
2:15pm – 3:30pm
Conference Room 13-36

Member attendees:
Kelly Bliss, President U.S. Group Health, Teladoc Health
Daniel Cunha, Chief Financial Officer, Avis Budget Group, Inc.
Mario Harik, Chairman & CEO, XPO
Wetteny Joseph, Executive Vice President & Chief Financial Officer, Zoetis
Jonathan Rose, President, Jonathan Rose Companies
Nicole Russo, President & CEO, Microboard Processing Inc.
Diego Suarez, Chairman & CEO, V. Suárez & Co., Inc.

Former Member attendees:
Sheldon Brown, Co-Founder & Retired Partner, Woody Hill Farms, Inc.
Maggie Delia, Owner & Co-Founder, BIAero, LLC.
Lawrence Fox, President, Fox Valve Development Corp.
Kenneth Franasiak, Chairman & CEO, Calamar Enterprises
Steven Goldstein, CEO, DOOR Ventures, Inc.
Dale Hemminger, CEO, Hemdale Farms & Greenhouses
Theodore Kesten, Chairman, Scent2Market, Inc.
Sarah LaFleur, Founder & CEO, M.M. LaFleur
Daniel Meloro, President & Chairman, Farbest Brands
Marcy Syms, Founding Trustee & President, Syms Foundation
Edward Tregurtha, President, Moran Towing

Federal Reserve Bank of New York Attendees:
Aubrey Barcena, Audit
Bright Boafo, Legal
Marissa Casellas-Barnes, Corporate Secretary's Office
Heather Daly, Communications & Outreach
Tony Davis, Communications & Outreach
Michael Feldman, Supervision
Audrey Green, Executive Office
Jack Gutt, Communications & Outreach
Marlyen Habib, Supervision
Andrew Haughwout, Research & Statistics

Jannifer Jones, Technology Group
Nathaniel Kressen, Communications & Outreach
Jacqueline McCormack, People & Engagement
Neil Natale, Legal
Thomas Noone, Legal
Shawn Phillips, Communications & Outreach
Valerie Radford, Executive Office
John Reda, Risk
Bill Schaefer, Operations & Resiliency
Tina Stinson-DaCruz, Legal
Kevin Smith, People & Engagement
Giorgio Topa, Research & Statistics
Michelle Wang, Risk
John Williams, President & CEO
Melissa Ysern, Corporate

1. Welcome

Ms. Phillips and Mr. Gutt called the meeting to order and welcomed members and Second District Advisory Council alumni to the meeting, which was held as part of the Annual Conference of Second District Directors and Advisors following morning sessions on the national and local economic outlook.

Ms. Phillips announced the recent addition of three new members to the Council —Mario Harik, Chairman & CEO, XPO, Diego Suárez Jr., Chairman & CEO, V. Suárez & Co., Inc, and Daniel Cunha, Chief Financial Officer, Avis Budget Group Inc.

Mr. Tom Noone provided a brief overview of the Bank's antitrust guidelines for advisory and sponsored groups.

2. Facilitated Discussion

Ms. Phillips began the facilitated discussion by asking Council members how their businesses had fared in recent months.

Many attendees described an economic environment marked by uneven demand, persistent cost pressures, and continued uncertainty across sectors. Members highlighted rapid advances in the use of artificial intelligence to enhance customer engagement, streamline workflows, and strengthen decision-making, particularly in digital health, manufacturing, demand planning, and property management.

Members noted that workforce conditions remain somewhat tight, with several industries experiencing sustained labor shortages in specialized areas and declining job applications. Members pointed to a "low hire, low fire" labor market where employees appear more inclined to remain in their jobs while firms are slower to hire new employees to fill workforce gaps.

Consumer-facing industries reported softer demand, especially for discretionary goods, while essential items and select industrial segments remain relatively resilient. Multiple members described consumers as financially strained, citing elevated fuel prices, tariff-related cost increases, and general price sensitivity. Several members noted that these pressures are contributing to more cautious spending patterns and shifting preferences. Some consumer-facing industries reported global supply-chain and trade pressures even as AI adoption accelerates within their operations.

In Puerto Rico, operational costs—including utilities, fuel, tariffs, and construction inputs—were widely cited as areas of concern and obstacles to investment. One member anticipates additional electricity inputs will be passed through to consumers and described stricter contracting terms, delayed federal funding, and greater emphasis on operational efficiency as businesses work to manage rising expenses.

Real estate and housing markets also featured prominently in the discussion. One member described mixed policy signals and elevated construction and financing costs that continue to slow development activity, alongside ongoing uncertainty in office markets due to hybrid work patterns.

In closing, Mr. Williams remarked that the enthusiasm surrounding AI reflects historical patterns seen during previous periods of technological transition, noting that while optimism is high, its economic and workforce implications continue to evolve. Across all viewpoints, members remained cautiously optimistic with shared concerns amid sustained uncertainty and an uneven economic landscape.

3. Concluding Remarks

Mr. Williams closed the meeting by thanking members for their contributions and for providing their insights across industries.

The meeting adjourned at approximately 3:30 p.m.