

**Minutes of the meeting of the
SECOND DISTRICT ADVISORY COUNCIL**

10:30 a.m. – 12:30 p.m., Thursday, October 15, 2020
Federal Reserve Bank of New York
33 Liberty Street, New York, NY
Via WebEx

On WebEx:

Donnel Baird, Founder & CEO, BlocPower
Adenah Bayoh, Founder, Adenah Bayoh & Companies
Jaswinder Chadha, President & CEO, Axtria, Inc.
Kevin Ellis, CEO, Cayuga Milk Ingredients
Lynne Marie Finn, President & CEO, Broadleaf Results
Hugh Johnston, Vice Chairman & CFO, PepsiCo
Sarah LaFleur, Founder & CEO, MM.LaFleur
Melanie Littlejohn, VP, Customer & Community Engagement, National Grid
Steve Priest, EVP & CFO, JetBlue Airways Corporation
Jonathan F.P. Rose, President, Jonathan Rose Companies
Anthony E. Shorris, John Weinberg/Goldman Sachs Visiting Scholar & Senior Advisory,
Princeton University, McKinsey & Company
Federico Stubbe, Jr., President, PRISA Group

Federal Reserve Bank of New York attendees:

John Williams, President & CEO
Jack Gutt, EVP, Communications & Outreach
David Erickson, SVP, Outreach & Education
Andrew Haughwout, SVP, Research & Statistics
Matthew Higgins, VP, Research & Statistics
David Lucca, VP, Research & Statistics
Rosanne Notaro, VP, Legal
Jaison Abel, AVP, Research & Statistics
Claire Kramer Mills, AVP, Outreach & Education
Jason Bram, Officer, Research & Statistics
Tony Davis, Officer, Outreach & Education
Edison Reyes, Associate, Outreach & Education

Claire Kramer Mills called the meeting to order at approximately 10:30 a.m.

1. Welcome Remarks & Fed's Monetary Policy Framework

Continuing precautionary measures in response to Covid-19, this meeting was held via WebEx. Mr. Williams welcomed council members and discussed the recent completion of the Federal Open Market Committee's review of its monetary policy framework and issuance of a new Statement on Longer-Run Goals and Monetary Policy Strategy. Mr. Williams reiterated that the Federal Reserve will continue to use the tools available to it to achieve the dual mandate goals in an environment of a very low neutral rate.

2. National Economy Update

Mr. Lucca presented an update on the national economy and noted recovery has been uneven with activity depressed in service sectors and stronger in personal goods consumption. The labor market recovery is also uneven with limited gains for economically vulnerable workers that experienced disproportionate job losses soon after Covid-19 infections rose.

3. Regional Economy Update

Mr. Abel presented an update on the regional economy and noted that economic activity rebounded in the summer following an unprecedented contraction in the spring due to the coronavirus pandemic. However, business activity, consumer spending and employment remain below pre-pandemic levels in much of the region.

4. Facilitated Discussion

Ms. Kramer Mills began the facilitated discussion by asking members to share how their industry has fared over the past quarter and to provide insights on emerging industry trends. All members stated that their industries continue to weather the impact of Covid-19 and are experiencing differing levels of stress. Members stated that while overall business activity has slowed, and midsize and large commercial markets continue to contract, consumer demand improved over the last quarter. Some members expressed relief from accessing Payment Protection Program (PPP) Loan funds, but noted they still had to reduce the size of their workforce and office space footprint. Those that received PPP anticipate that it will continue to keep small businesses afloat for a period of time, but further action and support will be needed from the local and federal government. All members stated that they expect to continue operating in these conditions for the next 9-12 months.

Ms. Kramer Mills then asked each council member to provide their outlook of the economy for the remainder of the year. Many members stated their outlook for 2020 is generally weaker, primarily due to the ongoing pandemic and lack of federal stimulus support. Several members said they have taken appropriate steps to restrict international business travel and are planning to continue safety-related measures to protect workers and overall investments

in the business. Some members noted that staffing has slowed and it remains difficult to fill specific roles in their industry, but expect demand for short-term workers will increase to fill these gaps. Members also expressed ongoing concern of evictions and need for affordable housing in communities hit hardest by job loss due to the pandemic. All members anticipate business will bounce back and the economy will show signs of recovery once the pandemic is under control and vaccine efforts begin to materialize and rollout across the country.

5. Concluding Remarks

Mr. Williams thanked members of the advisory council for their insights in an unexpected year, and noted that the New York Fed will continue to engage members and partner with others in order to make the US economy stronger.

The meeting adjourned at approximately 12:30 p.m.