

**Minutes of the regular meeting of the
UPSTATE NEW YORK REGIONAL ADVISORY BOARD**

10:30 a.m. – 2:00 p.m., Tuesday, June 3, 2014

Federal Reserve Bank of New York

33 Liberty St., New York, NY

Present:

Gary Crosby, President and CEO, First Niagara Financial Group
Lynn Marie Finn, President and CEO, Superior Workforce Solutions
Kenneth Franasiak, Chairman, Calamar
William Gisel, President and CEO, Rich Products Corporation
James P. Laurito, President, Central Hudson Gas & Electric Corporation
Martin Mucci, President and CEO, Paychex, Inc.
Carlos Unanue, President, Goya de Puerto Rico, Inc.

Federal Reserve Bank of New York attendees:

Jason Abel
James Bergin
John Clark
Christine Cummings
William Dudley
Jack Gutt
Kausar Hamdani
James Orr
David Parkinson
Richard Peach
Rae Rosen
Luis Uranga

Ms. Cummings called the meeting to order at approximately 10:30 a.m.

1. The National Economy

Mr. Peach gave a macroeconomic overview of the state of the U.S. economy during the first half of 2014.

2. Regional Update

Mr. Orr discussed current economic conditions in the Second Federal Reserve District.

3. International Update

Mr. Clark spoke about international developments in the advanced and emerging economies.

4. Luncheon Discussion

Mr. Dudley joined the group for the luncheon discussion. Members were asked to comment on changes in demand in recent months, projected hiring and investment in plant and

equipment for the remainder of 2014, access to credit, impacts due to changes in tax policy, legislation, or regulations, and any effects from the severe weather earlier this year.

Members reported varying degrees of first quarter growth, with several members attributing slow growth to severe winter weather in the region. Those most affected by the weather reported improvements in the second quarter.

Some members reported plans to increase employment, particularly in areas such as information technology, while others are hiring only to fill vacancies. As before, members noted that unskilled positions remain relatively easy to fill, while tightness in the skilled labor market has led to increasing competition for skilled workers. Members reported the continued use of contingent workers and consultants to fill some vacancies.

Several members reported new and ongoing capital investments, particularly in technology. Some members mentioned continuing efforts to automate and increase efficiency and productivity.

Access to credit did not seem to be an issue for members.

Members reported ongoing confusion about implementation of the Affordable Care Act (“ACA”). Some members mentioned growing costs in areas like compliance in response to new federal regulations.

The meeting adjourned at approximately 2:00 p.m.