

# NEW HAMPSHIRE PUBLIC DEPOSIT INVESTMENT POOL

May 12, 2016

New Hampshire Banking Department  
53 Regional Drive  
Concord, NH 03301

## MINUTES OF PUBLIC SESSION

Call the Meeting to Order: NH Banking Department Deputy Commissioner, Ingrid White, called the meeting to order at 9:00.

Attendance and Quorum: Attendance taken. Quorum not in attendance at start of meeting.

Present: Sharon Wickens, City of Manchester, NHGFOA; Michael Jache, City of Concord, NHGFOA; Shaun Thomas, NH Department of Revenue; William Dwyer, Treasurer, NH Department of the Treasury; Daniel Lynch, NHMA; Ingrid White, NH Banking Department.

Also Present: Emelia Galdieri, NH Banking Department; Doreen Sheppard, NH Banking Department; Barbara Fava, PFM; John Molloy, PFM; William Sullivan, PFM; and JoAnn Klatskin, PFM; and Jeffrey Rowe, PFM; Dan Hess, PFM; Lyn Gelinias, Citizens Bank, NHBA (via telephone).

As there was not a quorum at the commencement of the meeting it was decided to address non-action items on the agenda first and hold action items until a quorum could be established.

Dan Hess of PFM reviewed the financials as outlined in Tab II of the agenda booklet. GASB 79 will be effective by end of fiscal year. Format of financials will change. An example is presented in the booklet.

A quorum was established and the committee reviewed the draft minutes from the meeting of February 11, 2016. Ms. Fava suggested that reference in the minutes to "2a-7 like" be changed to "operate and report on an amortized cost basis." Ms. Galdieri questioned whether statute required language to be "2a-7 like." Statute was reviewed. Mr. Dwyer moved that the minutes be approved as amended, seconded by Mr. Jache, and VOTED Unanimously.

Jeff Rowe of PFM reviewed financial information under Tab III of booklet. US economy is growing slowly but steadily. First quarter ended up, except for Treasury. Employment growth led to interest rate increase in December. Mr. Dwyer noted that page 15 indicates WAM for Feb/March is close to 60 days. Questioned whether there are any controls to prevent it exceeding 60. Mr. Rowe stated there are a number of controls. The system flags when getting close or going over throughout the day when there is time to remedy if necessary.

Ms. Fava stated that the monthly stress test is now being sent only to Bank Commissioner due to confidentiality concerns.

Mr. Rowe left meeting at 9:40 a.m.

Ms. Fava and Mr. Hess discussed financial information under Tab IV. New rules to be effective October 15. No longer suitable for LGIP. GASB 79 created new rule to allow it to continue to act like a money market. Mr. Hess asked the board to adopt resolution in order to allow the fund to work the same way. Ms. Fava explained that the pool is in compliance with current rules and adopting new rule 79 will allow it to continue to function in the same way. Mr. Hess explained difference in reporting. Page 5 contains comparison of differences. Barbara Fava recommended the proposed resolution contained in the booklet be changed to add “and other fund documents.” Ms. White asked for a motion to adopt the resolution as amended. Motion made by Ms. Wickens, seconded by Mr. Dwyer and VOTED unanimously.

Mr. Hess stated that accounting firm of Tate Weller had been brought on board to complete the June 2015 audit. Accounting firms have differing interpretations of GASB 79. Firms are adjusting fee structures. Looking at a joint RFP for LGIPs. Does PDIP want to be one of the pools named in the RFP? Mr. Dwyer asked if contract with new accounting firm would be for more than 1 year. Mr. Hess answered they are looking for a 3 year contract. Ms. Galdieri stated RFP rules are specific. She is hesitant to have PFM act as agent in RFP. RSA 383:22-IV was reviewed. Mr. Lynch moved that NH PDIP be included in the RFP, second by Mr. Jache and VOTED unanimously.

Ms. Fava reviewed Tab V. Marketing update. An issue with the online link has been fixed. Postcard is going out tomorrow.

Ms. Klatskin noted that May is conference month. She has met with prospective customers. Seventeen new accounts have been opened.

Ms. Fava explained that a legislative change is required in order for US Bank to offer CD to pool participants. US Bank is not a New Hampshire bank which statute currently requires. Ms. Klatskin stated the NH Bankers Association has not been contacted about proposed change. Ms. Galdieri asked how the bill will get into the next session. Ms. Klatskin answered that Deputy Bank Commissioner has discussed helping to draft and search for a sponsor. Ms. Gelinas stated she believed NH Bankers Association would not have a problem with the legislation.

Ms. Fava announced that she will be retiring, but will remain working on part time basis. John Molloy will be taking over for her. Mr. Molloy has been with PFM for 14 years.

Future meeting dates reviewed and meeting for May 11, 2017 set.

Meeting adjourned at 10:45 a.m.