

NEW HAMPSHIRE PUBLIC DEPOSIT INVESTMENT POOL

October 11, 2018

New Hampshire Banking Department
53 Regional Drive
Concord, NH 03301

MINUTES OF PUBLIC SESSION

Present: William (Bill) Dwyer, NH State Treasurer; Barrett Christina, NH School Boards Assoc.; Michael Jache, NHGFOA; Keith Pike, NH Bankers Association; Shaun Thomas, NH Depart of Revenue Administration; Joe Thornton, NH Bankers' Association; Sharon Wickens, NHGFOA.

Also Present: Emelia Galdieri, Deputy Bank Commissioner, NH Banking Department; Doreen Sheppard, NH Banking Department; John Molloy, PFM; Beth Bartlett, PFM; Dan Hess, PFM; via telephone: Jeff Rowe, PFM; Pat Mulloy and Matt Seigel, RSM auditing firm.

Call the Meeting to Order: New Hampshire Banking Deputy Department Commissioner, Emelia Galdieri, called the meeting to order at 9:05 a.m.

Attendance and Quorum: Attendance taken. Quorum established.

The committee congratulated member Michael Jache on his upcoming retirement. The treasurer of the City of Nashua will replace Mr. Jache on the board.

The committee reviewed the draft minutes from the August 9, 2018 meeting. Mr. Dwyer motioned to approve the minutes with proposed edits. Mr. Jache seconded the motion. The committee unanimously voted to approve the minutes with edits as proposed.

Mr. Molloy of PFM suggested discussing the June 30th audit before continuing with regular agenda. Deputy Commissioner Galdieri explained that the audit is confidential and must be discussed in closed session under NH RSA 91-A. Requires motion to close. Mr. Jache moved to close the meeting to discuss the annual audit, seconded by Ms. Wickens. The roll was called by Ms. Sheppard and it was voted unanimously to proceed to closed session.

Mr. Jache moved to return the meeting to open session, seconded by Mr. Thornton. The roll was called by Ms. Sheppard and it was voted unanimously to return to open session at 9:35 a.m.

Mr. Coates moved to accept the auditors' annual report once it is completed. Motion was seconded by Mr. Dwyer and voted unanimously.

Mr. Molloy of PFM reviewed the financial information under Tab II in the exhibits. Investment income for first quarter was over \$1 million.

Mr. Molloy stated that there will be a PowerPoint presentation at the next meeting showing fees/expenses.

Mr. Hess of PFM explained expense accrual.

Mr. Dwyer inquired about management fees compared to disbursements.

Mr. Hess explained disbursements are always one month behind.

Mr. Molloy addressed question of NH banks offering CDSs in the fund as was brought up at prior meeting. Working to get NH banks involved. Mr. Pike has connected the fund to TD Bank in NH. PFM's CD purchase program: 3 NH banks had provided rates in the past, but not in the last 3 years. CDARS found one bank. Currently that bank does not offer a rate comparable to other banks. PFM is considering a plan is to reach out to all NH Banks, but PFM does not want to put undue or otherwise improper pressure on NH Banks. Will discuss with Bank Commissioner prior to reaching out. Generally discussed the need for rates to be competitive because the advisory board has fiduciary responsibility to pool members.

Mr. Rowe discussed the information under Tab III-Market Update.

Mr. Dwyer asked in competitive environment, what is the lowest, realistic WAM possible? Mr. Rowe stated 30-40 day-range because market is constantly adjusting in response to the Fed.

Mr. Rowe reviewed stress test-liquidity analysis.

Ms. Bartlett reviewed the information under Tab IV-Marketing. The advisory board is receiving the newsletters that are being sent to members. Member spotlight is new addition to newsletter. Mr. Jache is first to be highlighted.

Implementing multi-factor authentication for online accounts.

Meeting for October 2019 was set for October 10, 2019.

Deputy Commissioner, Galdieri adjourned the meeting at 10:38 a.m.