



New Hampshire Public Deposit Investment Pool

Annual Report

June 30, 2018



**NEW HAMPSHIRE
Public Deposit
Investment Pool**

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*This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Pool’s investment objectives, risks, charges and expenses before investing in the Pool. This and other information about the Pool is available in the Pool’s current Information Statement, which should be read carefully before investing. A copy of the Pool’s Information Statement may be obtained by calling 1-844-464-7347 or is available on the NHPDIP website at www.nhpdip.com. While the Pool seeks to maintain a stable net asset value of \$1.00 per share, it is possible to lose money investing in the Pool. An investment in the Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Pool are distributed by **PFM Fund Distributors, Inc.**, member Financial Industry Regulatory Authority (FINRA) (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC.*

Independent Auditor's Report

To the State of New Hampshire Bank Commissioner and the
Advisory Committee and Participants of the New Hampshire Public Deposit Investment Pool

Report on the Financial Statements

We have audited the accompanying financial statements of the New Hampshire Public Deposit Investment Pool (the "Pool"), which comprise the statement of net position as of June 30, 2018, the related statement of changes in net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Hampshire Public Deposit Investment Pool as of June 30, 2018, and the changes in its net position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 2 through 3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Investments as of June 30, 2018 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Philadelphia, Pennsylvania
October 25, 2018

Management's Discussion and Analysis

We are pleased to present the Annual Report for the New Hampshire Public Deposit Investment Pool (“PDIP” or the “Pool”) for the year ended June 30, 2018. Management’s Discussion and Analysis is designed to focus the reader on significant financial items and provide an overview of the Pool’s activities for the year ended June 30, 2018. The financial statements presented within this Annual Report have been prepared in conformity with the reporting framework prescribed by the Governmental Accounting Standards Board (“GASB”) for local government investment pools.

Economic Update

While the past 12 months saw turbulence at times, financial markets were remarkably stable and we continued to observe a pickup in economic growth. Several notable elements contributed to this favorable environment, such as improving labor markets, global expansion, adjustments to U.S. tax policy and multiple rate hikes priced in by the Federal Open Market Committee (“FOMC”).

The economy grew at a solid pace in the first half of 2018, marking the second longest period of expansion since the Great Recession. The U.S. labor markets continued to strengthen as well, as unemployment fell to a 48-year low. An increase in corporate spending provoked modest wage growth, and hourly earnings – a key measure of wage growth – rose slightly over the past 12 months. During the past year, the economy also added, on average, about 200,000 jobs per month.

An improving labor market and gradual pickup in inflation prompted the Federal Reserve (the “Fed”) to raise rates three times in 2017 and again in March and June of 2018. June’s rate hike marked the seventh quarter-point move since December 2015. Fed inflation expectations also rose, as the core Personal Consumption Expenditures (“PCE”) price index, inched closer to the Fed’s long-term inflation target of 2.00%. Additionally, the face of the Fed changed in early 2018 when Janet Yellen passed the chair seat to Jay Powell. Powell is on course to continue Yellen’s gradual approach to monetary tightening and balance sheet reduction.

The Trump administration’s first major legislative win came in December with significant adjustments to U.S. tax policy. Since then, the reform’s corporate tax cuts have generated a modest boost in economic growth. What remains to be seen is whether additional economic growth, over the longer term, will be enough to offset the increase to the budget deficit triggered by this legislation.

The Trump administration also imposed tariffs on steel and aluminum imports, causing trade tensions within the global markets. Various other geopolitical factors subjected global economies to high levels of risk throughout the year – specifically, threats from North Korea, Russia-NATO conflicts, North American Free Trade Agreement (“NAFTA”) trade tensions and turmoil in the Middle East. Despite these uncertainties, there has been a consistent theme of synchronized economic growth among the global markets.

Across the board, the financial markets experienced a strong year for returns. Equities soared, responding positively to emerging markets and developed countries (excluding the United States), and domestic fixed income bonds performed well, moved by a muted outlook for inflation and strong demand for credit-related bonds. Short-term U.S. Treasury note yields were substantially higher over the last 12 months compared to previous years, reaching their highest levels since 2008, while long-term yields experienced little or no increases because of subdued inflation expectations. Although the yield curve initially steepened in early 2018, as longer-term rates moved up in response to a modest uptick in inflation expectations, the flattening trend ultimately resumed, retreating to post-recession tightening.

Portfolio Strategy

We employed active management in the Pool’s portfolio through the 12-month period to take advantage of opportunities present in the market. We strategically positioned the weighted average maturity of the portfolio ahead of anticipated FOMC rate hikes. This strategy enabled the Pool’s portfolio yield to quickly adjust higher after each rate hike. Floating rate securities were also an integral part of our strategy in this rising rate environment. As a result, the Pool’s yield rose over the year, in tandem with overall rises in short-term rates. We expect to maintain this maturity management strategy in coming months, balancing the opportunity for higher yields in longer-maturing investments with the goal of protecting the Pool’s net asset value when rates rise.

Given changing outlooks and market changes over the last 12 months, we are on alert for indicators showing the pace of rate hikes accelerating due to quickening economic activity or rising inflation — or diminishing due to rising risk. We stand ready to adjust our portfolio strategy in either case. As always, our primary objectives are to protect the value of the portfolio’s shares and to provide liquidity for investors. We will continue to work hard to achieve these goals and focus on increasing investment yield after more than eight years of near-zero interest rates.

Financial Statement Overview

Management’s Discussion and Analysis provides an overview of the financial statements of the Pool. The financial statements for the Pool include a Statement of Net Position and Statement of Changes in Net Position. The financial statements are supported by the Notes to Financial Statements. In addition, an unaudited Schedule of Investments for the Pool is included as Supplementary Information following the Notes to Financial Statements.

Condensed Financial Information and Analysis

The Statement of Net Position presents the financial position of the Pool at June 30, 2018 and includes all assets and liabilities of the Pool. The difference between total assets and total liabilities, which is all the participants' interest in the Pool's net position, was calculated as follows at the current and prior fiscal year-end dates:

	June 30, 2018	June 30, 2017
Total Assets	\$194,116,219	\$ 179,239,017
Total Liabilities	(82,194)	(81,934)
Net Position	\$194,034,025	\$ 179,157,083

Total assets of the Portfolio fluctuate as investable assets rise and fall when capital shares are issued and redeemed. The increase in total assets of the Pool is primarily comprised of a \$15,727,815 increase in investments, \$64,138 increase in interest receivable offset by a decrease in cash and cash equivalents of \$914,751. The cash equivalents at June 30, 2018 include an \$8,000,000 time deposit yielding 2.10% which was reclassified to cash equivalents since it is available on demand with one day notice. The increase in total liabilities is mostly due to a \$2,060 increase in management fees, which are determined as a percentage of the Pool's average daily net position and increased as the net position increased from the prior year, offset by an \$1,800 decrease in subscriptions received in advance, which are share investments received at the Pool's bank account before notification has been received and the share issuance completed. The increase in the Pool's net position is primarily due to a net capital share issuance for the year, as well as net investment income. This is reflected in the discussion of the Statement of Changes in Net Position below.

The Statement of Changes in Net Position presents the activity within the net position for the year ended June 30, 2018. Yearly variances in the gross income generated by the Pool are impacted by the overall rate environment described above. Average net assets also impact the income, as well as certain of these expense line items that are based on a percent of portfolio assets. Activity within the net position consists of net investment income, net realized gains on sale of investments and net shares issued/redeemed by investors as outlined below for the current and prior fiscal years:

	Year Ended June 30,	
	2018	2017
Investment Income	\$ 3,204,445	\$ 1,627,588
Net Expenses	(596,121)	(481,686)
Net Investment Income	2,608,324	1,145,902
Net Realized Gains on Sale of Investments	2,044	4,762
Net Capital Shares Issued	12,266,574	44,049,465
Changes in Net Position	\$ 14,876,942	\$ 45,200,129

The investment income of the Portfolio is driven by a combination of the amount of investable assets and the general short-term interest rate environment that impacts the yields on investments the Portfolio can purchase. Net investment expenses are comprised of management fees which are calculated as a percent of average daily net position. The increase in investment income, net of the increase in net expenses, resulted in the overall increase in net investment income in the current year. Net realized gains on sale of investments occur when investments are sold for more than their carrying value and decreased year-over-year. Net capital share activity represents the total shares issued net of shares redeemed for a year. On a net basis there was a \$12,266,574 increase in net capital shares issued in the current year, which resulted in the bulk of the increase in the change in net position.

The total return of the Pool's portfolio for the year ended June 30, 2018 was 1.32%, as compared to 0.68% for the prior year ended June 30, 2017. In addition, select financial highlights for the current and prior fiscal years are as follows:

	Year Ended June 30,	
	2018	2017
Ratio of Net Investment Income to Average Net Assets	1.31%	0.69%
Ratio of Net Investment Income to Average Net Assets, Before Fee Waivers	1.31%	0.68%
Ratio of Expenses to Average Net Assets	0.30%	0.29%
Ratio of Expenses to Average Net Assets, Before Fee Waivers	0.30%	0.30%

The Pool's ratio of net investment income to average net assets increased on a pre-waiver and post-waiver basis year-over-year due to the increase in investment income driven by the interest rates as noted above. The ratio of expenses to average net assets on a pre-waiver and post-waiver basis remained relatively consistent year-over-year since the bulk of these expenses are calculated as a percentage of average net assets.

Statement of Net Position

June 30, 2018

Assets

Investments	\$ 185,462,783
Cash and Cash Equivalents ⁽¹⁾	8,196,100
Interest Receivable	457,336
Total Assets	194,116,219

Liabilities

Management Fees Payable	82,194
Total Liabilities	82,194

Net Position

(applicable to 194,034,025 outstanding shares of beneficial interest; unlimited authorization; no par value; equivalent to \$1.00 per share)	\$ 194,034,025
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(1) Includes cash and bank deposit accounts which are subject to a 1 day put. Guaranteed by Federal Home Loan Bank letters of credit.

Statement of Changes in Net Position

Year Ended June 30, 2018

Income

Investment Income	\$ 3,204,445
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Expenses

Management Fees	596,121
Operating Expenses	596,121

Net Investment Income	2,608,324
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Other Income

Net Realized Gain on Sale of Investments	2,044
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Net Increase from Investment Operations Before Capital Transactions	2,610,368
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Capital Shares Issued	237,894,360
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Capital Shares Redeemed	(225,627,786)
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Net Increase in Net Position	14,876,942
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Net Position – Beginning of Year	179,157,083
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Net Position – End of Year	\$ 194,034,025
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The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

A. Organization and Reporting Entity

Pursuant to Sections 383:22-24 of the New Hampshire Revised Statutes Annotated, the State of New Hampshire Bank Commissioner (the “Commissioner”), with the assistance of an Advisory Committee, has established, operates and oversees the New Hampshire Public Deposit Investment Pool (“PDIP” or the “Pool”). PDIP has been established, in accordance with the aforementioned statutory authority, for the purpose of investing funds of the State of New Hampshire, funds under custody of all governmental units, pooled risk management programs established pursuant to Section 5-B of the New Hampshire Revised Statutes Annotated, agencies, authorities, commissions, boards, political subdivisions and all other public units within, or instrumentalities of, the State of New Hampshire.

The Pool commenced operations under an Investment Management and Custodial Agreement on April 14, 1993. Effective August 3, 2015, this agreement was replaced with a new Cooperation and Management Agreement (the “Agreement”) executed by the Bank Commissioner of the State of New Hampshire. The Pool may only invest in securities which are legally permissible under the Agreement. The Pool has not provided or obtained any legally binding guarantees to support the value of shares. All participation in the Pool is voluntary. The Pool is not required to register with the Securities and Exchange Commission (“SEC”) as an investment company.

The Pool follows Governmental Accounting Standards Board (“GASB”) Statement No. 79; accordingly, the financial statements presented within this Annual Report have been prepared in conformity with the reporting framework prescribed by GASB for local government investment pools.

B. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Pool in the preparation of its financial statements.

Measurement Focus and Basis of Accounting

The Pool reports transactions and balances using the economic resources management focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Cash and Cash Equivalents

The Pool reflects cash on deposit in bank accounts which is available within one business day as cash and cash equivalents. Certificates of deposit are disclosed separately as investments in the financial statements.

Valuation of Investments

In accordance with the authoritative guidance on fair value measurements and disclosures under GASB Statement No. 72, the Pool discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Inputs other than quoted prices that are observable for the asset, including quoted prices for similar investments based on interest rates, credit risk and like factors.

Level 3 – Unobservable inputs for the assets, including the Pool’s own assumption for determining fair value.

The Pool’s investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. In accordance with GASB Statement No. 79, portfolio investments are valued at amortized cost, which approximates fair value. GASB Statement No. 79 requires a comparison of the Pool’s investments on an amortized cost basis to fair values determined on a market value basis at least monthly. The market prices used to determine fair values in this comparison are derived from closing bid prices as of the last business day of the month as supplied by third-party pricing services. Where prices are not available from these generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Since the value is not obtained from a quoted price in an active market, all securities held by the Pool at June 30, 2018 are categorized as Level 2.

Investment Transactions

Security transactions are accounted for on the trade date (date the order to buy or sell is executed). Costs used in determining realized gains and losses on the sale of investment securities are those of specific securities sold. Interest income is recorded using the accrual method. Discounts and premiums are accreted and amortized, respectively, to interest income over the lives of the respective securities.

Repurchase Agreements

Repurchase agreements entered into with broker-dealers are secured by U.S. government or agency obligations. The Pool's custodian takes possession of the collateral pledged for investments in repurchase agreements. The Pool also enters into tri-party repurchase agreements. Collateral pledged for tri-party repurchase agreements is held for the Pool by an independent third-party custodian bank until the maturity of the repurchase agreement. Repurchase agreements are collateralized at 102% of the obligation's principal and interest value. In the event of default on the obligation to repurchase, the Pool has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. If the seller defaults and the value of the collateral declines, realization of the value of the obligation by the Pool may be delayed. In the event of default or bankruptcy by the other party to the agreement, realization and/or retention of the collateral may be subject to delays from legal proceedings.

Share Valuation and Participant Transactions

The net assets value ("NAV") per share of the Pool is calculated as of close of business each business day by dividing the net position of the Pool by the number of outstanding shares. It is the Pool's objective to maintain a NAV of \$1.00 per share, however there is no assurance that this objective will be achieved. The exact price for share transactions will be determined based on the NAV next calculated after receipt of a properly executed order. The number of shares purchased or redeemed will be determined by the NAV.

Dividends and Distributions

On a daily basis, the Pool declares dividends and distributions from its net investment income, and net realized gains or losses from securities transactions, if any. Such dividends and distributions are payable to participants of record at the time of the previous computation of the Pool's net asset value and are distributed to each investor's account by purchase of additional shares of the Pool on the last business day of each month. For the year ended June 30, 2018, the Pool distributed dividends totaling \$2,610,368.

Redemption Restrictions

Shares of the Pool are available to be redeemed upon proper notice, as outlined in the Pool's Information Statement, without restrictions under normal operating conditions. There are no limits to the number of redemptions that can be made as long as an investor has a sufficient number of shares to meet their redemption request. The Commissioner, or its the program administrator if designated by the Commissioner, may suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of the Pool's securities or determination of its net asset value not reasonably practicable.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Income Tax Status

The Pool is not subject to federal or state income tax upon the income realized by it. Accordingly, no provision for income taxes is required in the financial statements.

Representations and Indemnifications

In the normal course of business, the Pool enters into contracts that contain a variety of representations which provide general indemnifications. The Pool's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Pool that have not yet occurred. However, based on experience, the Pool expects the risk of loss to be remote.

Subsequent Events Evaluation

The Pool has evaluated subsequent events through October 25, 2018, the date through which procedures were performed to prepare the financial statements for issuance. No events have taken place that meet the definition of a subsequent event requiring adjustment or disclosure in these financial statements.

C. Investment Risks

Under GASB Statement No. 40, state and local governments and other municipal entities are required to disclose credit risk, concentration of credit risk, and interest rate risk for investment portfolios. The following risk disclosures of the Pool as of June 30, 2018 have been provided for the information of the Pool's investors.

Credit Risk

The Pool's investment policies, as outlined in the Pool's Information Statement, limits the Pool's investments to certain fixed income instruments which school entities are permitted to invest under New Hampshire law. As of June 30, 2018, the Pool's portfolio was comprised of investments which were, in aggregate, rated by Standard and Poor's ("S&P") as follows:

S&P Rating	% of Portfolio
AA+	14.94%
A-1+	39.29%
A-1	45.77%

The above ratings of the investments held by the Pool include the ratings of collateral underlying repurchase agreements in effect for the portfolio at June 30, 2018.

Concentration of Credit Risk

As outlined in the Pool's Information Statement, the Pool's investment policy establishes certain restrictions on investments and limitations on portfolio composition. The Pool's investment portfolio at June 30, 2018 included the following issuers, aggregated by affiliated issuers where applicable, which each individually represented greater than 5% of its total investment portfolio:

Issuer	% of Portfolio
BOFI Federal Bank ⁽¹⁾	7.55%
Federal Home Loan Banks	7.75%
Merrill Lynch Pierce Fenner & Smith ⁽²⁾	14.94%

(1) Guaranteed by Federal Home Loan bank letters of credit.

(2) This issuer is also counterparty to a repurchase agreement entered into by the Pool. This repurchase agreement is collateralized by U.S. government agency obligations.

Interest Rate Risk

The Pool's investment policies limit their exposure to market value fluctuations due to changes in interest rates by requiring that the Pool maintain a dollar-weighted average maturity of not greater than sixty days. At June 30, 2018, the weighted average maturity of the Pool's entire portfolio, including cash and cash equivalents and non-negotiable certificates of deposit, was 25 days. The range of yields to maturity, actual maturity dates, principal values, fair values and weighted average maturities of the types of investments the Pool was invested in at June 30, 2018 are as follows:

Type of Deposits and Investments	Yield-to Maturity Range	Maturity Range	Principal	Fair Value	Weighted Average Maturity
Cash and Cash Equivalents	n/a	n/a	\$ 8,196,100	\$ 8,196,100	1 Day
Certificates of Deposit –Negotiable	2.02%-2.73%	7/2/18-4/26/19	92,956,000	92,948,567	33 Days
Certificates of Deposit –Non-negotiable	1.92%	7/2/18	14,000,000	14,000,000	2 Days
Commercial Paper	2.14%-2.52%	7/17/18-3/15/19	36,500,000	36,439,245	33 Days
Repurchase Agreements	2.10%	7/2/18	27,700,000	27,700,000	2 Days
Government Agency Discount Notes	1.90%-1.91%	8/1/18-8/15/18	14,400,000	14,374,971	34 Days
Total			\$193,752,100	\$193,658,883	

The yields shown in the preceding table represent the yield-to-maturity at original cost except for adjustable rate instruments, for which the rate shown is the coupon rate in effect at June 30, 2018.

The weighted-average maturities shown in the preceding table are calculated based on the stated maturity dates with the following exceptions: (1) floating or variable rate securities are assumed to have an effective maturity of the date upon with the securities interest rate next resets; (2) the effective maturity of callable securities is assumed to be its stated maturity unless the security had been called as of the reporting date, in which case the effective maturity would be assumed to be its called date; (3) for instruments subject to demand features, the effective maturity is assumed to be the period remaining until the principal amount of the security may be recovered through the demand feature and (4) the effective maturity of cash and cash equivalents is assumed to be one day. Refer to the Schedule of Investments included in the unaudited Supplementary Information that follows for further information.

D. Management Fee

Effective August 3, 2015, the Pool entered into an agreement with PFM Asset Management LLC (“PFMAM”) to act as investment advisor and program administrator. As investment advisor of the Pool, PFMAM provides investment advice and generally supervises the investment program of the Pool. As program administrator of the Pool, PFMAM services all investor accounts, determines and allocates income of the Pool, provides administrative personnel, equipment and office space, determines the net asset value of the Pool on a daily basis and performs all related administrative services.

Under its agreement with the Pool, which is in effect through June 21, 2020, PFMAM is entitled to a fee payable monthly that is determined based on the average daily net assets of the Pool as follows: 0.30% of the first \$250 million of average daily net assets, 0.25% of the next \$250 million of average daily net assets, 0.20% of the next \$500 million of average daily net assets and 0.17% of the average daily net assets over \$1 billion. All other expenses related to the operations of the Pool, other than commissions on the purchase of securities, if any, are paid by PFMAM out of its investment advisory and program administration fees.

Shares of the Pool are distributed by PFM Fund Distributors, Inc., a wholly owned subsidiary of PFMAM. PFM Fund Distributors, Inc. is not compensated by the Pool for these services.

Other
Information
(unaudited)

Schedule of Investments (unaudited)

June 30, 2018

Rate ⁽¹⁾	Maturity Date ⁽²⁾	Principal	Fair Value ⁽³⁾
Certificates of Deposit (55.12%)			
Bank of America			
2.40% ⁽⁴⁾	11/15/18	\$ 2,000,000	\$ 2,000,000
Bank of Nova Scotia			
2.21% ⁽⁴⁾	9/7/18	1,500,000	1,500,000
2.33% ⁽⁴⁾	12/21/18	1,000,000	1,000,000
2.28% ⁽⁴⁾	3/6/19	2,000,000	2,000,000
BMO Harris Bank			
2.38%	7/3/18	1,000,000	1,000,000
BNP Paribas (NY)			
2.19% ⁽⁴⁾	8/2/18	3,000,000	3,000,000
2.45% ⁽⁴⁾	10/2/18	2,500,000	2,500,000
BOFI Federal Bank ⁽⁵⁾			
1.92%	7/2/18	7,000,000	7,000,000
1.92%	7/2/18	7,000,000	7,000,000
Canadian Imperial Bank (NY)			
2.73% ⁽⁴⁾	7/13/18	700,000	700,048
2.28% ⁽⁴⁾	8/24/18	2,500,000	2,500,000
Citibank			
2.32%	8/27/18	4,500,000	4,500,000
Commonwealth Bank of Australia (NY)			
2.22% ⁽⁴⁾	10/4/18	1,500,000	1,500,000
2.30%	10/19/18	1,500,000	1,500,000
2.27% ⁽⁴⁾	12/11/18	1,000,000	1,000,000
2.50% ⁽⁴⁾	4/23/19	1,000,000	1,000,000
Credit Agricole Corporate and Investment Bank (NY)			
2.52%	11/5/18	1,600,000	1,595,920
Credit Suisse (NY)			
2.35% ⁽⁴⁾	7/18/18	1,000,000	1,000,014
2.55% ⁽⁴⁾	1/4/19	2,000,000	2,000,000
DNB Norway Bank ASA (NY)			
2.26%	8/1/18	2,000,000	2,000,000
HSBC Bank USA			
2.52% ⁽⁴⁾	1/2/19	3,000,000	3,000,000
Mizuho Bank LTD (NY)			
2.22% ⁽⁴⁾	8/6/18	2,000,000	2,000,000
MUFG Bank			
2.61%	2/5/19	900,000	897,990
Nordea Bank (NY)			
2.20%	8/10/18	2,000,000	2,000,000
2.22%	9/10/18	2,000,000	2,000,000
2.53% ⁽⁴⁾	4/5/19	1,000,000	1,000,000
Norinchukin Bank (NY)			
2.27%	7/2/18	2,500,000	2,500,000
2.02%	10/12/18	1,756,000	1,752,828
Royal Bank of Canada (NY)			
2.23% ⁽⁴⁾	7/10/18	1,000,000	1,000,000
2.47% ⁽⁴⁾	1/10/19	2,000,000	2,000,000

The notes to the financial statements are an integral part of the schedule of investments.

Schedule of Investments (unaudited)

June 30, 2018

Rate ⁽¹⁾	Maturity Date ⁽²⁾	Principal	Fair Value ⁽³⁾
Societe Generale (NY)			
2.36%	7/31/18	\$ 2,000,000	\$ 2,000,000
2.32%	10/1/18	2,000,000	2,000,000
State Street Bank & Trust			
2.22%	8/30/18	3,000,000	3,000,000
Sumitomo Mitsui Bank (NY)			
2.21% ⁽⁴⁾	7/2/18	3,000,000	3,000,000
2.43% ⁽⁴⁾	10/11/18	3,000,000	3,000,000
Svenska Handelsbanken (NY)			
2.47% ⁽⁴⁾	9/28/18	3,000,000	3,000,000
2.39% ⁽⁴⁾	11/14/18	2,000,000	2,000,000
Swedbank (NY)			
2.22%	7/6/18	2,000,000	2,000,000
Toronto Dominion Bank (NY)			
2.32%	8/20/18	5,500,000	5,500,000
2.53% ⁽⁴⁾	4/17/19	1,000,000	1,000,000
UBS AG Stamford CT			
2.47% ⁽⁴⁾	12/28/18	2,500,000	2,500,000
2.48% ⁽⁴⁾	2/4/19	2,000,000	2,000,000
Wells Fargo Bank			
2.22% ⁽⁴⁾	9/7/18	3,000,000	3,000,000
2.57% ⁽⁴⁾	4/12/19	2,000,000	2,000,000
Westpac Banking Corp. (NY)			
2.17%	7/26/18	3,000,000	3,000,497
2.47% ⁽⁴⁾	10/17/18	2,500,000	2,501,270
2.43% ⁽⁴⁾	4/26/19	1,000,000	1,000,000
Total Certificates of Deposit			106,948,567
Commercial Paper (18.78%)			
American Honda Finance			
2.25%	9/24/18	2,000,000	1,989,422
Bank of Montreal (Chicago)			
2.27%	8/9/18	3,000,000	2,992,655
BNP Paribas (NY)			
2.26%	8/1/18	1,000,000	998,062
Cooperatieve Rabobank			
2.14% ⁽⁴⁾	8/1/18	4,000,000	4,000,000
Credit Agricole Corporate and Investment Bank (NY)			
2.27%	9/4/18	2,000,000	1,991,839
2.35%	10/1/18	3,000,000	2,982,137
Dexia Credit Local SA (NY)			
2.41% ⁽⁴⁾	1/29/19	3,000,000	3,000,000
ING (US) Funding LLC			
2.32% ⁽⁴⁾	11/15/18	1,000,000	1,000,000
2.52% ⁽⁴⁾	1/7/19	1,500,000	1,500,000
2.35% ⁽⁴⁾	2/15/19	1,000,000	1,000,000
2.39% ⁽⁴⁾	3/15/19	2,000,000	2,000,000

The notes to the financial statements are an integral part of the schedule of investments.

Schedule of Investments (unaudited)

June 30, 2018

Rate ⁽¹⁾	Maturity Date ⁽²⁾	Principal	Fair Value ⁽³⁾
JP Morgan Securities LLC			
2.42% ⁽⁴⁾	10/5/18	\$ 4,500,000	\$ 4,500,000
2.35% ⁽⁴⁾	12/21/18	1,000,000	1,000,000
MUFG Bank (NY)			
2.33%	8/6/18	5,000,000	4,988,400
Toyota Motor Credit Corp.			
2.34%	7/17/18	2,000,000	1,997,938
2.37%	8/7/18	500,000	498,792
Total Commercial Paper			36,439,245
Government & Agency Obligations (7.41%)			
Federal Home Loan Banks Discount Notes			
1.90%	8/1/18	12,400,000	12,379,721
1.91%	8/15/18	2,000,000	1,995,250
Total U.S. Government & Agency Obligations			14,374,971
Repurchase Agreements (14.27%)			
Merrill Lynch Pierce Fenner & Smith			
2.10%	7/2/18	27,700,000	27,700,000
(Dated 6/29/18, repurchase price \$27,704,848, collateralized by Fannie Mae Securities, 2.583%-4.00%, maturing 9/1/44-8/1/46, fair value \$28,254,000)			
Total Repurchase Agreements			27,700,000
TOTAL INVESTMENTS (95.58%)			185,462,783
OTHER ASSETS IN EXCESS OF OTHER LIABILITIES (4.42%)			8,571,242
NET POSITION (100.00%)			\$ 194,034,025

(1) Yield-to-maturity at original cost, unless otherwise noted.

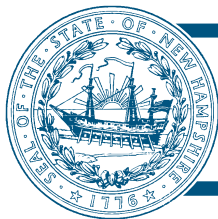
(2) Actual maturity dates, unless otherwise noted.

(3) See Note B to the financial statements.

(4) Adjustable rate security. Rate shown is that which was in effect at June 30, 2018.

(5) Guaranteed by Federal Home Loan Bank Letter of Credit and subject to put with 1 day notice.

The notes to the financial statements are an integral part of the schedule of investments.



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Investment Pool**

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