

# **NEW HAMPSHIRE PUBLIC DEPOSIT INVESTMENT POOL**

February 20, 2020

New Hampshire Banking Department  
53 Regional Drive  
Concord, NH 03301

## **MINUTES OF PUBLIC SESSION**

### Present:

Charles Nickerson, NH Association of Counties; David G. Fredette, NHGFOA; Daniel Lynch, NH Municipal Association; Keith Pike, NH Bankers Association; Shaun Thomas, NH Department of Revenue Administration; Joe Thornton, NH Bankers Association; Sharon Wickens, NHGFOA.

Also Present: Gerald Little, Commissioner NH Banking Department; Chiara Dolcino, General Counsel, NH Banking Department; Doreen Sheppard, NH Banking Department; Lauren Warner, NH Banking Department; John Molloy, PFM; Beth Galperin, PFM; Kristy Merrill, NH Bankers Association.

Via Telephone: Mike Varano, PFM

Call the Meeting to Order: New Hampshire Banking Department Commissioner, Gerald Little, called the meeting to order at 9:00 a.m. Commissioner Little stated that the meeting would include a nonpublic session for the purpose of discussing the RFP process.

Draft minutes of meeting of October 10, 2019 were reviewed and following edits proposed:  
Add Patrick Mulloy and Matthew Siegel of RSM as present via telephone;  
Correct spelling of Patrick “Molloy” to “Mulloy”;  
Correct “state” to “stated”;  
Correct “it” to “is”;  
Correct “ratings” to “rating”;  
Correct “in hold” to “in a hold”;  
Correct “action” to “act on”;  
Correct “34)” to “3)”;

David Fredette moved to accept minutes of October 10, 2019 meeting, with edits; seconded by Dan Lynch and VOTED, UNANIMOUSLY.

Mike Varano of PFM discussed the information under Tab II of the agenda materials. Outlined 4 themes in the market: Rise in US market, high consumer confidence, home sales, job growth. The short term credit spread has tightened. Fed would like to see inflation move higher.

Page 15, Portfolio Overview – the composition of the fund does not change much from quarter to quarter. Page 16 shows NAV over \$1 for much of last quarter. Commissioner Little questioned whether NAV being so close to the \$1 mark makes everyone nervous. Mr. Varano responded it does not.

The stress test on page 23 was reviewed, as was the portfolio holdings on page 32.

John Molloy reviewed the information under Tab III, Statement of Net Position as of December 31, 2018. There is now over \$300 million in the pool, increase since first of year due to marketing and rise in rates.

Beth Galperin reviewed the information under Tab IV, Marketing Update. 71 new accounts have been added since October of 2019.

John Molloy discussed cyber security enhancements, particularly, multi-factor authentication. PDIP wanted it to be mandatory and was instituted in January of this year. Also beefed up password strength requirements.

Commissioner Little spoke on the role of NHBD in the PDIP. Since the last meeting, he has spoken with Barbara Reid of the Municipal Association who questioned whether there was any money to be earned with the coordination of the pool. Commissioner explained that NHBD receives nothing and that NHBD's costs related to the oversight of PDIP are actually being subsidized by the entities that pay fees to NHBD.

Commissioner Little requested a motion to enter nonpublic session for the purpose of discussing the RFP. Motion made by David Fredette, seconded by Sharon Wickens. The roll was called and it was VOTED UNANIMOUSLY, as follows:

Sean Thomas – Yes  
Dan Lynch – Yes  
Sharon Wickens – Yes  
Charles Nickerson – Yes  
Joe Thornton – Yes  
Keith Pike – Yes  
David Fredette – Yes

Nonpublic session entered at 10:04 am.

Public session reentered at 10:33 am.

Motion to seal the minutes of the nonpublic session made by Dan Lynch, seconded by Sharon Wickens. The roll was called and it was VOTED UNANIMOUSLY, as follows:

Sean Thomas – Yes  
Dan Lynch – Yes  
Sharon Wickens – Yes

Charles Nickerson – Yes

Joe Thornton – Yes

Keith Pike – Yes

David Fredette – Yes

Mr. Molloy stated that the engagement of RSM was discussed at the last meeting to be decided at this meeting. PFM's view is that RSM has performed well for the pool.

Sean Thomas asked why RSM needs to be reengaged now. Mr. Molloy stated that it could wait but would be cutting very close to the end of the fiscal year.

Dan Lynch asked what the fee for RSM was for 2019, and Mr. Molloy answered it was \$25,725.

Motion to approve reengagement of RSM made by David Fredette, seconded by Sharon Wickens and VOTED UNANIMOUSLY.

The date of the next scheduled meeting of the PDIP Advisory Committee was confirmed for May 28, 2020.

Meeting adjourned at 10:49 a.m.