

NEW HAMPSHIRE PUBLIC DEPOSIT INVESTMENT POOL

May 28, 2020

New Hampshire Banking Department
53 Regional Drive
Concord, NH 03301

MINUTES OF PUBLIC SESSION

Public meeting commenced at 9:04 a.m.

Present: Via Remote Call-in: Monica Mezzapelle, NH State Treasurer; Charles Nickerson, NH Association of Counties; David G. Fredette, NH GFOA; Dan Lynch, NH Municipal Association; Keith Pike, NH Bankers Association; Joe Thornton, NH Bankers Association.

Also Present: Via Remote Call-in: Emelia A. Galdieri, Deputy Commissioner NH Banking Department; Chiara Dolcino, General Counsel, NH Banking Department; Lauren Warner, Hearings Examiner, NH Banking Department; Doreen Sheppard, Paralegal, NH Banking Department; John Molloy, PFM; Beth Galperin, PFM; Michael Varano, PFM; Ryan Hale, NH Bankers Association.

Deputy Commissioner Galdieri opened the meeting by reading the attached Script To Ensure Meetings Are Compliant With The Right-to-Know Law During The State Of Emergency provided by the Attorney General's specific guidance on holding an emergency meeting.

The roll was called for attendance and a quorum was established. All members attending confirmed that there was no one else present at their locations.

The minutes of the public meeting of February 20, 2020 were reviewed. Beth Galperin requested a correction on page to where the name "Reed" should be spelled "Reid."

John Molloy stated a concern about the final sentence of the sixth paragraph on page two, stating that as written it might lead to confusion as to NH banking entities subsidizing the pool. Requested correction so that it reads: "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."

Motion to approve the minutes with requested edits was made by Dan Lynch and seconded by Joe Thornton. The roll was called and it was VOTED as follows:

Monica Mezzapelle	Abstain
Daniel Lynch	Yes
Charles Nickerson	Yes
David Fredette	Yes
Joe Thornton	Yes
Keith Pike	Yes

Mike Varano of PFM reviewed the information under Tab II of the meeting materials, Market Update.

It is unclear what recovery after Covid will look like. The stock market recovered very well partly because the Fed came out very aggressively very quickly. Pages 9-10 show the plunge in yield due to the current crisis.

The NAV indicates that securities in the portfolio are worth more than “book” value. Since February the PFM has been pricing the NAV daily rather than weekly, since March 13 all credits are on hold. It will be a difficult time until there is a vaccine or cure for Covid-19 to bring confidence back.

WAM up to 60 days = yield will slowly fall because funds are currently held at rates from before the market fell. Safety is now the priority of the fund.

The stress test on page 28 was reviewed.

All credits are on hold. More funds are in short – US Treasury, money markets, in funds such as Fidelity, Black Rock.

PFM will be continuing to follow the virus and the economy.

John Molloy spoke to PFM’s continuity of business during the corona-virus crisis. All PFM employees have been working from home since mid-March. Everything has worked out well.

Beth Galperin of PFM reviewed the information under Tab IV, Market Update. She has not been out on the road during the pandemic but continuing to gain new accounts via phone calls and email.

David Fredette thanked Ms. Galperin for her contact with New Hampshire communities. He has been contacted by communities who have had good things to say.

Deputy Commissioner Galdieri reviewed the information under Tab V of the materials, RFP Wrap-up. She requested the board review the Investment Adviser Agreement and make a recommendation.

David Fredette asked whether this agreement is the same as the prior one. Lauren Warner explained that it is almost exact to the 2015 agreement with the exception of Appendix B, P-37 sections that are required and a change to the date.

David Fredette moved to accept the agreement, seconded by Joe Thornton and VOTED as follows:

Monica Mezzapelle	Yes
Daniel Lynch	Yes
Charles Nickerson	Yes
David Fredette	Yes
Joe Thornton	Yes
Keith Pike	Yes

Deputy Galdieri asked if there were any questions or discussion regarding the Fee Deferral Agreement. There being none, Monica Mezzapelle moved to accept the agreement, seconded by Dan Lynch and VOTED as follows:

Monica Mezzapelle	Yes
Daniel Lynch	Yes
Charles Nickerson	Yes
David Fredette	Yes
Joe Thornton	Yes
Keith Pike	Yes

Lauren Warner explained that, before the Investment Adviser Agreement is signed, notice will be posted on the NH Banking Department website this Friday.

Deputy Galdieri thanked the committee and Lauren Warner for her work on the RFP process.

Dan Lynch asked about minutes from the April meeting. Lauren Warner stated that they are slated to be dealt with at the next meeting in August.

Future meeting dates were reviewed and meeting scheduled for May 27, 2021.

John Molloy thanked the board and the staff of NH Banking Department.

Meeting adjourned at 10:04 a.m.

Public session adjourned at 9:39 a.m.