

## NEW HAMPSHIRE PUBLIC DEPOSIT INVESTMENT POOL

August 9, 2018

New Hampshire Banking Department  
53 Regional Drive  
Concord, NH 03301

### MINUTES OF PUBLIC SESSION

Present: Gerald Little, Commissioner, NH Banking Department; William (Bill) Dwyer, NH State Treasurer; Michael Jache, NHGFOA; Daniel Lynch, NHMA; 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; Colleen Chaney, PFM; via telephone: Jeff Rowe, PFM; Christiana Thornton, NH Bankers' Association; Ryan Hale, NH Bankers' Association.

Call the Meeting to Order: New Hampshire Banking Department Commissioner, Gerald Little, called the meeting to order at 9:03 a.m.

Attendance and Quorum: Attendance taken. Quorum established.

The committee reviewed the draft minutes from the May 11, 2018 meeting. Mr. Lynch motioned to approve the minutes; Mr. Dwyer seconded the motion. The committee unanimously voted to approve the minutes.

Mr. Molloy of PFM reviewed the financial information under Tab II in the exhibits.

Mr. Lynch requested a break-down of the fees charged by PFM on a monthly basis. Mr. Molloy indicated that PFM could provide that information for the next meeting.

Commissioner Little asked about fund deposits in out of state banks only. What can we do to keep more municipal money in NH banks? Jeff Rowe explained that PFM has an approved issuer list. Qualification for the list includes a high credit rating. PFM is happy to work with NH banks that qualify. Would require more than FDIC insurance; i.e., FHLB letter of credit. Commissioner Little stated would not want to reduce return or value but should try to keep funds in NH.

Jeff Rowe of PFM, via telephone, reviewed the information under Tab III of the exhibits. He noted the 6<sup>th</sup> rate increase since 2016 on short term. Longer term rates remain subdued.

Economy has been in bull market for past 9 years. Looking towards next recession; does not appear imminent. Federal Reserve “dot plot” expects interest rates to rise twice more this year. Market believes otherwise. Portfolio is positioned very short in response to market. Unemployment remains low.

Index shows signs of tariff stress – still a small part of US economy. Stress test remains strong.

Mr. Molloy discussed US Bank, the custodial bank, 3-year contract which is expiring. PDIP Advisory Board needs to approve a 1-year option to renew. US Bank continues to waive the annual fee of \$7,500.00. Commissioner Little spoke in favor of the 1-year extension. Mr. Dwyer moved to approve a 1-year extension with US Bank. Motion seconded by Mr. Jache. Board voted unanimously to approve a 1-year extension with US Bank as custodial bank for the PDIP.

Beth Bartlett reviewed the Marketing Update under Tab IV. Thirty-nine new accounts have been added since June 1, 2018.

Upcoming meeting dates, under Tab V, were confirmed:

- 10/11/18
- 2/14/19
- 5/9/19
- 8/8/19

Upon motion of Mr. Lynch, seconded by Mr. Jache, the meeting adjourned at 9:55 a.m.