

Note: These minutes from the February 11, 2020 Governance Committee meeting were approved and executed at the March 10, 2020 Governance Committee meeting.

**Governance Committee**  
Board of Trustees  
New Hampshire Retirement System  
54 Regional Drive  
Concord, NH 03301

**February 11, 2020  
Minutes**

*Governance Committee Members present:* Trustees Sue Hannan, Acting Chair; Bill Dwyer, and Richard Gustafson. *Absent:* Trustees Don Roy and Bob Maloney.

*Staff:* George Lagos, *Executive Director*; Tim Crutchfield, *Chief Legal Counsel*; Mark Cavanaugh, *Associate Counsel & Compliance Officer*; Larry Johansen, *Director of Investments*; Gerard Murphy, *Director of Finance*; Nancy Miller, *Director of Member Services*; and Margaret Astles, *Executive Assistant*.

Trustee Hannan called the meeting to order at 1:35 pm in the absence of Chair Roy. Having established a quorum, on a motion by Trustee Gustafson, seconded by Trustee Dwyer, the Committee voted unanimously to approve the minutes of the January 14, 2020 Governance Committee meeting, as presented.

Trustee Hannan introduced the discussion regarding the proposed modifications to the Actuarial Funding Policy. Executive Director Lagos explained that at the December 10, 2019 meeting, the Board unanimously voted to engage GRS to initiate an actuarial experience study for the four year period ending with the FY 2019 Actuarial Valuation. Because of this action, the Board also referred to the Audit and Governance Committees the possibility of revising the Actuarial Funding Policy with respect to the frequency of conducting actuarial experience studies. As recommended by GRS, by explicitly setting the policy to require actuarial experience studies every four years, the Board would improve the timeliness of setting actuarial assumptions. This change would ensure that these studies would be conducted in conjunction with every other rate-setting actuarial valuation and eliminate the 6-year lag between the update of assumptions, which happens under the current policy when the 5-year experience study period ends in an even year. The change would allow NHRS to remain in compliance with RSA 100-A:14, IX, which requires an actuarial experience study at least every five years. Staff has presented the proposed modifications to both the Audit and Governance Committees for consideration and a vote in order to bring to the full Board.

On a motion by Trustee Dwyer, seconded by Trustee Gustafson, the Committee unanimously voted to recommend to the full Board that it approve the Actuarial Funding Policy revisions, as presented.

Trustee Hannan introduced discussion regarding firearms in the workplace. Member Services Director Nancy Miller noted that for some time staff has discussed proposing a policy for firearms in the work place due to the close proximity staff has with the public and members who may be carrying a weapon. She noted that staff is drafting a

policy to address protecting our staff from exposure to weapons, noting that the policy would provide an exception for on-duty police officers.

Trustees asked what other retirement systems have done to address this issue. Mr. Lagos noted that it varied from system to system. Mr. Crutchfield added that few, if any, state agencies have a firearms policy in place. Mr. Lagos added that this issue needs attention and indicated that there is nothing more important than the safety of our staff. The draft firearms policy is expected to be completed by the end of the month and will be brought to the Committee for review and consideration.

Trustee Hannan noted that the next meeting of the Governance Committee would follow the Board of Trustees meeting on March 10, 2020.

With no further business to be discussed, on a motion by Trustee Gustafson, seconded by Trustee Dwyer, the Committee voted unanimously to adjourn the meeting.

Respectfully submitted,

Margaret M. Astles  
Executive Assistant