

June 12, 2018
NHRS Board of Trustees, Governance Committee

NOTE: These minutes from the June 12, 2018 regular meeting were approved at the August 14, 2018 Committee meeting.

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

June 12, 2018 Public Minutes

Governance Committee Members: Trustees Don Roy, Chair, David McCrillis, Dick Gustafson and Bill Dwyer.

Staff: George Lagos, Executive Director; Tim Crutchfield, Chief Legal Counsel; Mark Cavanaugh, Esq., Associate Counsel and Compliance Officer; Larry Johansen, Director of Investments; Marty Karlon, Public Information Officer and Margaret Astles, Executive Assistant.

Chair Roy called the Governance Committee meeting to order at 12:30 p.m.

On a motion by Trustee McCrillis, seconded by Trustee Dwyer, the Committee approved the minutes of the May 8, 2018 Governance Committee meeting, as presented. Trustee Gustafson abstained.

Chairman Roy introduced discussion on the cyber insurance renewal. Chief Legal Counsel Crutchfield noted that the quote for the insurance premium represented a reduction of approximately 5% from last year along with the deductible reduction from \$35,000.00 to \$25,000.00 while maintaining the \$3 million limit. Staff has recommended renewing the policy with NAS because of its competitive advantage in pricing and prior service.

The Trustees discussed how the \$3 million limit was determined over the past four years that the System has been covered by a cyber insurance policy and agreed that the limit should be reviewed as part of next year's renewal process.

On a motion by Trustee McCrillis, seconded by Trustee Gustafson, the Committee voted unanimously to recommend to the full Board that it approve the cyber insurance renewal through NAS for the \$3 million limit with a \$25,000 deductible at a \$19,275.75 premium.

Next, Public Information Officer Marty Karlon spoke to the Committee regarding a recently-received Public Pension Governance Survey and a June 5, 2018 news release by the National Council on Teacher Retirement (NCTR) which provided some additional background information. Executive Director Lagos indicated that NHRS did not intend participate in this survey as has been the case in other survey requests.

Mr. Lagos then addressed the Trustee education sessions that NHRS has held in conjunction with its Board meetings over the past 5 years as an indication of the Trustees fulfilling their fiduciary duties. He added that if the Committee has any thoughts, concerns or suggestions for additional types of educational sessions, staff would be happy to address them and bring them to the Board.

On a motion by Trustee Gustafson, seconded by Trustee Dwyer, the Committee unanimously voted to adjourn at 12:50 pm.

Respectfully submitted,

Margaret M. Astles