

November 13, 2018
NHRS Board of Trustees, Governance Committee

Note: These minutes from the November 13, 2018 meeting were approved and executed at the December 11, 2018 meeting of the Governance Committee.

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

November 13, 2018 Public Minutes

Governance Committee Members: Trustees Don Roy, Chair; Bill Dwyer, Richard Gustafson, Sue Hannan and Robert Maloney.

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

Chair Roy called the meeting to order at 12:20 p.m.

Having established a quorum, on a motion by Trustee Maloney, seconded by Trustee Dwyer, the Committee unanimously voted to approve the minutes of the October 9, 2018 Governance Committee meeting.

Chief Legal Counsel Crutchfield, gave the Committee an update concerning the consideration of a transition to paperless meetings. He stated that the Trustee responses to the recent survey were favorable in terms of a willingness to go paperless, particularly from those Trustees who had already done so through affiliations with other systems and agencies. Based on the survey responses, Mr. Crutchfield indicated staff will create an RFI as there are many providers that can provide paperless meetings. Trustee Maloney indicated that he currently uses multiple iPads and asked if there is an alternative to being issued another one. Director of IT, Mr. Clough replied that NHRS would like to use an agency-issued iPad for maximum security, but noted that Trustee Maloney's question would be considered when looking into the software and technology specifications of the providers.

Next, Associate Counsel Cavanaugh explained that NHRS is nearing the end of its six-year engagement with Groom Law Group, its external counsel for fiduciary, tax and benefits, and legislative matters and therefore it is time to issue an RFP. Responding to questions, Mr. Crutchfield and Mr. Cavanaugh explained that although NHRS has used Groom Law Firm often over the years and has been very happy with the service received, the issuance of an RFP is a best practice. Executive Director Lagos noted that legal costs were very high five to six years ago as a result of pension legislation and resulting litigation. But, over the past few years, staff has prudently managed the utilization of external counsel and as a result, legal costs have declined significantly.

On a motion by Trustee Gustafson, seconded by Trustee Maloney, the Committee voted unanimously to approve the issuance of an RFP for the fiduciary, tax and benefits, and legislative counsel.

Trustee Gustafson noted that at the last Decennial Commission, the System was asked if it had ever audited its actuary. Executive Director Lagos indicated that an actuarial audit RFP has just been finalized

and will be issued this week. An ad hoc committee will be formed to review the responses and a recommendation will come before the Board at its January meeting.

The next Governance Committee meeting will be scheduled to immediately follow the December Board meeting.

On a motion by Trustee Dwyer, seconded by Trustee Gustafson, the Committee unanimously voted to adjourn at 12:33 pm.

Respectfully submitted,

Margaret M. Astles
Executive Assistant