

These minutes from the September 10, 2019 meeting of the Governance Committee were approved at the October 8, 2019 Committee meeting.

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

September 10, 2019
Public Minutes

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

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 Investments*; and Margaret Astles, *Executive Assistant*.

Trustee Roy called the meeting to order at 12:21 p.m.

Having established a quorum, on a motion by Trustee Maloney, seconded by Trustee Gustafson, the Committee voted unanimously to approve the minutes of the July 29, 2019 Governance Committee meeting.

Chief Legal Counsel Crutchfield began the discussion concerning the annual Committee Charter review, noting that there were only two minor punctuation/grammar edits he made, which would not rise to the level of needing Committee action and subsequent Board action. The Committee agreed, and did not have any substantive changes to be made.

Director of Finance Murphy introduced discussion concerning the proposed Actuarial Funding Policy (Policy) revision. He began by noting that this recommendation came from Segal's recent Actuarial Audit to clarify the Policy to assure that the actuarial consultant meets the professional criteria of the Qualification Standards of the American Academy of Actuaries.

On a motion by Trustee Gustafson, seconded by Trustee Maloney, the Committee unanimously voted to recommend to the full Board that it adopt the proposed revision to the Actuarial Funding Policy.

Next, Mr. Murphy spoke to the RFP for Commercial Banking Services. He noted that Citizens Bank is our current commercial banking service provider, and that agreement expires December 31, 2019. In order to follow best practice, staff recommends the issuance of an RFP to ensure that NHRS is getting the best service at the best price. Additional services also included in the RFP will be the processing of the monthly annuity payroll and an on-line payment option for employers.

Following a discussion on financial aspects of banking relationships, including interest paid on deposits as well as refunds on credit card payments, on a motion by

Trustee Maloney, seconded by Trustee Gustafson, the Committee voted unanimously to recommend to the full Board that it approve the issuance of an RFP for Commercial Banking Services.

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

Respectfully submitted,

Margaret M. Astles
Executive Assistant