

NHRS Board of Trustees

Minutes – August 12, 2025

Note: These minutes from the August 12, 2025, Public Session were approved and executed at the October 14, 2025, Board of Trustees meeting.

Board of Trustees

August 12, 2025

Public Minutes

**New Hampshire Retirement System
54 Regional Drive
Concord, New Hampshire 03301**

Participating: *Don Roy, Vice-Chair; Trustees Jon Frederick, Sue Hannan, Jason Henry, Robert Maloney, Andrew Martineau, Leah McKenna, Ken Merrifield, Monica Mezzapelle, Joshua Quigley, and Steve Saltzman.*

Absent: *Maureen Kelliher, Chair; and Trustee Paul Provost.*

Staff: *Jan Goodwin, Executive Director; Rosamond Cain, Director of Human Resources (HR); Mark Cavanaugh, Deputy Counsel and Compliance Officer; Diana Crichton, Hearings Examiner; Rick Fabrizio, Director of Communications & Legislative Affairs; Sonja Gonzalez, Chief Information Technology Officer (CITO); Raynald Leveque, Chief Investment Officer (CIO); Nancy Miller, Director of Member Services; Marie Mullen, Director of Finance; and Mariel Holdredge, Executive Assistant.*

Guests: *Bob Robicsek and Ryan Tirrell: Lavallee Brensinger Architects (LBA); Brian Gehris: Milestone Construction, LLC; Jenn Castelhana and Ryan Falls: Milliman.*

Vice-Chair Don Roy called the August 12, 2025, regular meeting of the NHRS Board of Trustees to order at 9:33 a.m.

A quorum was established and Vice-Chair Roy called for a vote to approve the public and non-public minutes of the June 10, 2025, Board meeting. On a motion by Trustee Henry, seconded by Trustee Frederick, the Board voted to approve the meeting minutes and the non-public meeting minutes.

Trustee Mezzapelle reported that the Audit Committee met earlier that morning. Representatives from Milliman, the actuarial firm, presented their findings of the actuarial audit it conducted as further described below. Internal Audit reviewed current activities, the FY 26 Internal Audit Plan, and the 2025 GASB Census Data Audits, and Finance provided an update on the annual audit by NHRS' external auditor Plante Moran.

As Chair of the Governance Committee, Don Roy presented the Governance Committee report, noting that the Committee met twice since the last Board meeting. On July 1, 2025, the Committee authorized staff to renew the cyber insurance policy. On August 5, 2025, the

Committee voted to recommend to the Board that it adopt proposed revisions to the Office of Foreign Assets Control (OFAC) Policy and to the Procurement Policy.

Vice-Chair Roy entertained a motion to accept the recommendation of the Governance Committee to adopt the proposed administrative revisions to the OFAC Policy. On a motion by Trustee Maloney, seconded by Trustee Frederick, the Board unanimously adopted the revisions to the OFAC Policy, as presented.

Next, Vice-Chair Roy invited a motion to accept proposed revisions to the Procurement Policy, developed in response to the Board's June 10, 2025, request, to authorize the Governance Committee to approve emergency contracts up to \$200,000 in emergency situations such as when regular Board meetings are not scheduled in time to act. On a motion by Trustee Henry, seconded by Trustee Hannan, the Board unanimously voted to adopt the revisions to the Procurement Policy, as presented.

At 9:42 a.m., on a motion by Trustee Henry, seconded by Trustee Frederick, the Board voted unanimously by roll call to enter into non-public session, under RSA 91-A:3, II(c) to discuss matters which, if discussed in public, would likely affect adversely the reputation of any person, other than a member of the public body itself.

At 9:50 a.m., on a motion by Trustee Hannan, seconded by Trustee Henry, the Board voted to conclude the non-public session. No action was taken in the non-public session.

In public session, on a motion by Trustee Quigley, seconded by Trustee Maloney, the Board unanimously voted to seal the minutes of the non-public session under RSA 91-A:3, III.

Vice-Chair Roy then entertained a motion to recommend to the Board that it authorize staff to engage the services of outside legal counsel. On a motion by Trustee Henry, seconded by Trustee Frederick, the Board voted to authorize staff to engage the law firm of Shaheen and Gordon as special litigation counsel, with Trustee Saltzman abstaining.

CIO Raynald Leveque reported on the June 10, 2025, Independent Investment Committee (IIC, Committee) meeting, with all five members participating and one vacant position. The Investment Team presented an update on the monthly performance of the public market asset classes, portfolio holdings, recent portfolio transition activity, and the current Work Plan. The Committee then renewed two U.S. small-cap equity investment management agreements; approved a \$75 million commitment to Advent Global Private Equity Fund XI, subject to contract and legal review; and received semi-annual real estate, private equity, and private credit portfolio reviews.

Mr. Leveque went on to review investment performance as of June 30, 2025, noting strong fiscal year-to-date and monthly returns, positive results across asset classes, and continued benefits from active management. He also reviewed the Q1-2025 fund percentile rankings relative to peer plans, asset allocation positioning, and long-term performance trends, highlighting consistent top-half results over time despite recent market volatility. As of June 30, 2025, the Plan's assets total \$13.3 billion.

Trustee Merrifield reported that the Legislative Committee had not met since the last Board meeting. Director of Communications and Legislative Affairs Rick Fabrizio updated the Board on the 2025 legislative session, highlighting the enactment of compromise legislation restoring certain benefits for Group II, Tier B police and fire members in phases from 2026 to 2033, with state appropriations covering the cost. Staff is working with outside counsel to

address ambiguities in the law and updating pension system calculations and employer reporting.

Trustee Frederick delivered an update of the Benefits Committee, noting it met twice since the last Board meeting, on July 1, 2025, and August 5, 2025, and approved a total of nine disability applications. The Committee also reviewed a Gainful Occupation Offset Waiver Request and voted to recommend to the full Board that it approve the waiver.

On a motion by Trustee Henry, seconded by Trustee Martineau, the Board voted to approve the waiver of the gainful occupation reduction in the matter of T.N.

Trustee Hannan delivered her report for the Personnel Performance and Compensation Committee (PPCC), which met virtually on June 24, 2025, and August 1, 2025. HR announced the hire of the Chief Legal Counsel and provided other staffing and recruitment updates. Trustee Hannan then asked Vice-Chair Roy for a temporary adjournment to discuss collective bargaining strategy.

At 10:07 a.m., on a motion by Trustee Maloney, seconded by Trustee Henry, the Board voted to temporarily adjourn to discuss strategy or negotiations with respect to collective bargaining as provided in RSA 91-A:2, I(a) and reconvene upon conclusion of the discussion.

On a motion by Trustee Henry, seconded by Trustee Hannan, the Board voted to end the adjournment.

At 10:12 a.m., Vice-Chair Roy called the general meeting back to order. He then entertained a motion to approve the collective bargaining agreement (CBA). On a motion by Trustee Henry, seconded by Trustee Hannan, the Board unanimously voted to approve the CBA, as presented.

Trustee Hannan then requested that the Board enter non-public session to discuss non-union compensation.

At 10:13 a.m., on a motion by Trustee McKenna, seconded by Trustee Frederick, the Board voted unanimously by roll call to enter into non-public session under RSA 91-A:3, II(a) to discuss compensation matters.

At 10:24 a.m., on a motion by Trustee Henry, seconded by Trustee Maloney, the Board voted to conclude the non-public session. No action was taken in the non-public session.

Trustee Quigley, Ad Hoc Real Estate Committee Chair, reported that the Committee met virtually on August 8, 2025, and recommended awarding a sole source contract for construction management services to Milestone Construction, LLC. Executive Director Goodwin introduced architects Bob Robicsek and Ryan Tirrell of Lavallee Brensinger Architects (LBA) and Brian Gehris of Milestone, who outlined Milestone's prior work with NHRS, extensive project experience, relationship with the City of Concord, and ability to expedite permitting to meet the project's schedule. On a motion by Trustee Henry, seconded by Trustee Quigley, the Board voted to authorize staff to engage Milestone Construction, LLC, for construction management services relating to 80 Commercial Street.

A brief discussion followed regarding potential contract terms for the 80 Commercial Street project, including approaches to cost savings, pricing, and performance guarantees.

Vice-Chair Roy then introduced Jenn Castelhana and Ryan Falls of Milliman, an actuarial firm, who presented the results of their Level 2 actuarial audit, or peer review, of NHRS' most recent rate-setting valuation and experience study conducted by Gabriel, Roeder, Smith and Company, NHRS' actuary. Milliman found the work was reasonable, in compliance with actuarial standards of practice, and based on sound assumptions and methods. The reviewers offered several best-practice recommendations to enhance future reports through additional disclosures and improved communication but emphasized no findings that would affect results or calculations.

Executive Director Goodwin gave her executive report, including these highlights. Staff is working with Groom Law Group to address ambiguities in House Bill (HB) 282 and will soon begin coordinating with LRS to update benefit calculations in the pension administration software. Key performance measure (KPM) scores for June and July were 98.51% and 95.52%, respectively, with one KPM missed in June and three in July. Member satisfaction surveys and direct follow-up calls indicate continued high satisfaction with customer service. The Executive Team will be fully staffed later in August when the new Chief Legal Counsel begins.

Director of Finance Marie Mullen provided the Finance operating report, highlighting recent employer reporting enhancements for schools and SAUs, which have received positive feedback and include new guides and training resources. She reported that the July interim audit went well and that the IRS resolved a prior tax penalty matter in NHRS' favor, resulting in a refund with interest. Ms. Mullen also discussed the Pittsfield School District's employer contribution arrears and its payment plan, as well as year-to-date financial performance, noting that Trust Fund and Administrative operating expenses remained within budget.

Next, Director of HR Rosamond Cain reported on recruiting efforts and her department's ongoing projects, including development of new position descriptions and advancement of budgeted staffing initiatives. She noted that the HR action plan remains on track, with upcoming updates to training manuals and position descriptions to reflect recent PensionGold (PG) changes.

Deputy Counsel and Compliance Officer Mark Cavanaugh opened Legal's operating report with an update on the request for proposal (RFP) process to select new NH Counsel, noting five responses are under review and a recommendation will be brought to the Board in October. He also reported on ongoing litigation, progress on Gainful Occupation reviews, and the annual Retiree Work Hours 2024 report, which showed trends consistent with prior years aside from a few isolated excess-hours cases.

Director of Communications and Legislative Affairs Rick Fabrizio reported that the Communications team met all KPMs in June and July, advanced outreach through employer listening sessions, member education events, and a member poll on NHRS' toll-free number, and completed its first analytics report of NHRS' digital platforms. He also noted ongoing work to support HB 282 implementation, develop Customer Service Training best practices, and begin a website redesign to meet new ADA compliance standards by April 2026.

CITO Sonja Gonzalez reported that IT met all KPMs for June and July, completed a third-party security assessment, and continues to work closely with the Security Operations Center on cybersecurity monitoring. She highlighted ongoing efforts to improve project management practices, research network and server upgrades for the new building, and implement a new Board portal platform. Work also continues on PG enhancements, *My Account* improvements, and refining IT's strategic plan.

CIO Raynald Leveque opened his report by noting his earlier updates on the June IIC meeting and the plan's performance since June. He reported that the Investment Team met most KPMs for July, with three- and five-year returns trailing benchmarks and a 25-year return of 6.23% versus the 6.75% actuarial benchmark. Upcoming IIC agenda items include private infrastructure and private credit opportunities, manager renewals, and updates on operations initiatives such as Canoe for automated statement collection and the Albourne private markets fee transparency pilot. He announced the hiring of a Head of Private Markets and confirmed the Investment Office's strategic plan is on target.

Director of Member Services (MS) Nancy Miller reported that her team processed more than 600 new July retirements, with support from multiple functional teams. She noted progress on ongoing recruiting efforts, coordination with the Contact Center to maintain regular lobby hours and work to finalize benefits as updates from the employer reporting process are completed. The MS team assisted employers and retirees with insurance changes resulting from transitions to new third-party administrators and continues to prepare for implementation of HB 282, including identifying affected members and providing individualized outreach. Action plan items and applicable KPMs remain on target.

Vice-Chair Roy turned the Board's attention to the consent agenda. On a motion by Trustee Henry, seconded by Trustee Maloney, the Board voted to approve the Consent Agenda.

There were no travel requests or reports.

Executive Director Goodwin reported that all Action Items from the June 10, 2025, Board meeting will be complete upon adjournment of today's meeting.

During the Board Checkpoint Discussion, Vice-Chair Roy reminded Trustees to promptly complete the annual ethics survey if they have not done so already.

With no further business to discuss, on a motion by Trustee Henry, seconded by Trustee Maloney, the Board voted unanimously to adjourn the meeting at 11:32 a.m.

Respectfully submitted,

Mariel Holdrege,
Executive Assistant