NHRS Board of Trustees

Minutes – April 8, 2025

Note: These minutes from the April 8, 2025, Public Session were approved and executed at the June 10, 2025, Board of Trustees meeting.

Board of Trustees

April 8, 2025

Public Minutes

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

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

Absent: *Monica Mezzapelle and Paul Provost.*

Staff: *Jan Goodwin, Executive Director; Rosamond Cain, Director of Human Resources (HR);* Rick Fabrizio, Director of Communications & Legislative Affairs*; Raynald Leveque, Chief Investment Officer (CIO); Nancy Miller, Director of Member Services; Marie Mullen, Director of Finance; Shana Biletch, Investment Officer; Nina Calkins, Administrative and Contact Center Manager; Mark Cavanaugh, Deputy Counsel and Compliance Officer; Diana Crichton, Hearings Examiner; Jonathan Diaz, Investment Officer; Heather Hoffacker, Internal Auditor; Mariel Holdredge, Executive Assistant; Jesse Pasierb, Investment Operations Analyst; and Gregory Richard, Senior Investment Officer.*

Chair Maureen Kelliher called the April 8, 2025, regular meeting of the NHRS Board of Trustees to order at 10:01 a.m.

Executive Director Jan Goodwin began by introducing NHRS' newest executive team member, Rick Fabrizio, Director of Communications & Legislative Affairs. A quorum was then established and Chair Kelliher called for a vote to approve the minutes of the February 11, 2025, Board meeting. On a motion by Trustee Roy, seconded by Trustee Frederick, the Board voted unanimously to approve the meeting minutes, with Trustees Quigley and Saltzman not present.

Chair Kelliher reported on the Audit Committee Chair's behalf, noting that the Committee had not met since the last Board meeting, and that its next meeting is scheduled for April 14, 2025.

Trustee Roy provided the Governance Committee report, which met on April 1, 2025, and noted that the annual Voluntary Compliance Program (VCP) review confirmed that the NHRS plan documents and operations are in compliance with the Internal Revenue Code. The Committee voted to recommend two minor revisions to the VCP Policy, based on guidance from the retirement system's external legal counsel for fiduciary and tax matters, Groom

Law, to ensure continued compliance with recent IRS guidance. On a motion by Trustee Maloney, seconded by Trustee Frederick, the Board voted to accept the recommendation of the Governance Committee to approve the revisions to the VCP Policy.

Trustee Quigley joined the meeting at 10:03 a.m.

Trustee Roy concluded his report with the Committee's recommendation to authorize staff to issue an RFP for Fiduciary, Tax and Legislative Counsel. On a motion by Trustee Hannan, seconded by Trustee Henry, the Board accepted the Governance Committee's recommendation.

Trustee Saltzman joined the meeting at 10:06 a.m.

Next, in Trustee Provost's absence, Board Chair Kelliher reported on the February 11, 2025, Independent Investment Committee (IIC, Committee) meeting, with five members participating and one position vacant. The Investment Team presented an update on investment returns and holdings and reported on the team's investment activities and Work Plan. The Committee then approved the revised Investment Manual and Policy, which included an update to the Non-U.S. Equity benchmark specification.

Chair Kelliher invited CIO Raynald Leveque to provide the remainder of the Investment report. Mr. Leveque reviewed investment performance as of February 28, 2025, highlighting relative underperformance in U.S. equities and stronger results in international equities and fixed income. He emphasized the long-term positioning of the portfolio, noting the positive contribution of active management and stable performance in private markets over extended periods. He also provided an update on pension peer performance and an asset allocation update, referencing recent portfolio rebalancing activity on April 1, 2025, aimed at prudently reducing risk by shifting capital from global equity to global fixed income.

Chair Kelliher then welcomed Trustee Steve Saltzman, a public member newly appointed by the Governor, noting the Board now has a full complement.

Trustee Merrifield reported on the Legislative Committee, which had not met since the last Board meeting. He updated the Board that five NHRS-related bills remain active ahead of Crossover Day, on April 10, 2025. Several provisions – most notably from House Bill (HB) 581, HB 727, and HB 728 – have been incorporated into HB 2, which also includes amendments affecting Group II benefits and retiree reemployment. Two additional bills, HB 445 and SB 83, have crossed over to the opposite chamber, while nine others have been tabled, retained, or voted inexpedient to legislate.

Trustee Frederick delivered an update of the Benefits Committee, noting it met twice since the last Board meeting, on March 4, 2025, and April 1, 2025, and approved six disability applications and one disability application, respectively.

Trustee Hannan gave the PPCC report, noting that the Committee met virtually on March 27, 2025. Trustee Hannan asked to enter into non-public session to discuss personnel matters and collective bargaining negotiations under RSA 91-A:3, II(a), (c), and (l).

On a roll call vote motioned by Trustee Henry, seconded by Trustee Roy, the Board entered into non-public session under RSA 91-A:3, II(a), (c), and (l), for the Executive Director Evaluation and an update on collective bargaining negotiations.

On a motion by Trustee Henry, seconded by Trustee McKenna, the Board voted to conclude the non-public session and seal the non-public minutes. No action was taken in the non-public session.

As the next order of business, Trustee Quigley, Chair of the Ad Hoc Real Estate Committee, reported that the Committee met on April 2, 2025, with four of five members participating. At the meeting, Executive Director Goodwin presented a Request for Qualifications (RFQ) to engage the services of an architect to oversee the renovations at 80 Commercial Street. She explained that issuing an RFQ is an industry best practice and that, after evaluating alternative forms of project oversight, staff concluded that the scope and qualifications of an architect are best suited to lead the project at this stage. The Committee voted unanimously that it recommend to the Board that it authorize staff to issue the RFQ.

On a motion by Trustee Quigley, seconded by Trustee Hannan, the Board voted to accept the Committee's recommendation to authorize staff to issue the RFQ.

Next, Attorney Diana Crichton and Attorney Mark Cavanaugh provided a presentation to the Board on the NHRS disability retirement process.

Next, Executive Director Jan Goodwin reported strong agency performance, with a 98.51% key performance measure (KPM) achievement rate for both February and March. She highlighted the successful closing on the 80 Commercial Street property and that the independent verification & validation project with an outside vendor has been temporarily paused to refine its scope. Ongoing initiatives include collective bargaining negotiations, a Level 2 actuarial audit of GRS by Milliman, and continued outreach to address employer concerns related to data reporting changes. All 2024 legislative changes have been successfully implemented, and oversight of the Contact Center has transitioned to Member Services to improve operational alignment.

Executive Director Goodwin concluded by reporting that strategic planning for FYs 26-28 is underway. As part of the annual process outlined in the Governance Manual, Trustees are asked to review and revise the "Preserve, Achieve, Avoid" (PAA) framework, which serves as a key input in shaping the rolling three-year Strategic Plan, which will be considered for approval at the June 2025 Board meeting.

Trustee Maloney then excused himself from the meeting at 11:24 a.m. and was subsequently absent for the remainder of the session.

CIO Raynald Leveque reviewed the Investments operating report, providing updates on investment performance and operations, noting the upcoming Investment Committee meeting, including manager contract renewals and a private credit fund recommendation. He also highlighted the ongoing implementation of manager reallocations in the portfolio, anticipated reporting on cost benchmarking, and efforts to enhance transparency and investment analytics. He closed by providing an update to the Board on the Strategic Plan for the Investment Office.

Director of Member Services Nancy Miller reported that all legislative changes have been successfully implemented in PG, and preparations are underway for the July 2025 retirement filing period. She highlighted the team's continued focus on processing benefit finalizations, efforts to improve consistency in handling earnable compensation questions through cross-departmental collaboration, and ongoing coordination with IT to align the PG roadmap with current organizational priorities.

Finance Director Marie Mullen provided an update on operational progress, noting significant improvements in employer reporting timeliness and the successful automation of *QuickPay* for cash receipt posting. She reported that FY 25 spending remains within budget and that the team is actively advancing several automation initiatives to enhance financial reporting and investment data accuracy.

Director of Human Resources (HR) Rosamond Cain discussed ongoing recruitment efforts, including the recent hiring of the Director of Communications and Legislative Affairs and active searches for several key roles. HR also implemented a staff engagement initiative, distributed 2025 Total Compensation Statements, and began updates to training manuals and job descriptions to reflect post-PGV3 changes.

Deputy Counsel and Compliance Officer Mark Cavanaugh gave the Legal report noting that, with the Board's authorization today for issuance of Fiduciary, Tax and Legislative Counsel RFP, staff will be making its recommendations to the Governance Committee for this and for NH Counsel for presentation to the Board in June 2025. He also reported on ongoing employer audit activities, including the start of GASB audits, an active appeal before the NH Supreme Court, and continued work with Groom Law to contest an IRS penalty related to withholding tax remittances.

Director of Communications and Legislative Affairs Rick Fabrizio began by noting the NHRS-related bills currently being tracked and confirming that implementation efforts for the three NHRS-related bills enacted in 2024 are complete. Mr. Fabrizio reported that the Communications team continues to support employer and member outreach, recently hosting 15 education events, and has met all applicable KPMs for February and March.

Executive Director Goodwin delivered the Information Technology (IT) operating report, highlighting the resolution of critical vulnerabilities, completion of system-wide patching, and the milestone of surpassing 34,000 users for *My Account 2.0*. Ms. Goodwin noted that the team met all KPMs for February and March, handled 79 change requests, and remains focused on delivering enhancements to support employer and teacher contracts by the July reporting period.

Trustee Henry moved and Trustee Hannan seconded a motion to approve the Consent Agenda that was unanimously approved by the Board.

On a motion by Trustee Henry, seconded by Trustee Hannan, the Board approved one Trustee educational request.

Ms. Goodwin provided an update on Action Items from the February 11, 2025, Board meeting, reporting that all items have been completed.

During the Board Checkpoint Discussion, Chair Kelliher reminded Trustees to submit input on the Strategic Plan and PAA, and to refer any public inquiries regarding recent market volatility to the PIO, emphasizing the importance of centralized communication.

With no further business to discuss, on a motion by Trustee Henry, seconded by Trustee Hannan, the Board voted unanimously to adjourn the meeting at 11:51 a.m.

Respectfully submitted,

Mariel Holdrege,
Executive Assistant