

NOTE: These minutes were approved and executed at the February 14, 2023 Independent Investment Committee meeting.

**Independent Investment Committee Meeting
January 10, 2023
Public Minutes**

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

Committee Members:

- Maureen Kelliher, CFA, *Chair*
- Christine Clinton, CFA, *Member*
- Daniel LaPlante, CFA, *Member*
- Mike McMahon, *Non-Voting Member (absent)*
- Paul Provost, CFP, *Member*

Staff:

- Jan Goodwin, *Executive Director*
- Raynald Leveque, *Chief Investment Officer*
- Gregory Richard, CFA, *Senior Investment Officer*
- Shana Bilech, *Investment Officer*
- Ashley Lloyd, *Investment Officer*
- Tim Crutchfield, *Deputy Director and Chief Legal Counsel (by video conference)*
- Heather Hoffacker, *Internal Auditor (by video conference)*

Guests:

- Angel Haddad, *Senior Vice President, Callan LLC*
- Pete Keliuotis, *Executive Vice President and Head of Alternatives Consulting, Callan LLC (by video conference)*
- Britton Murdoch, *Vice President, Callan LLC (by video conference)*
- Arthur Greenwood, *Senior Vice President, Fidelity (by video conference)*
- Beau Coash, *Institutional Portfolio Manager, Fidelity (by video conference)*

Chair Kelliher called the meeting to order at 12:02 PM.

On a motion by Ms. Clinton, seconded by Mr. LaPlante, the Independent Investment Committee (Committee) unanimously approved the public minutes of the December 13, 2022, Independent Investment Committee meeting as presented.

Mr. Leveque reviewed investment returns through recent periods and referred to the Callan Monthly Review for periods ending November 30,

2022. He shared an update on holdings within the NHRS portfolio. He discussed Staff's non-U.S. equity rebalancing plan underway.

Mr. Leveque discussed the Work Plan and noted that it was updated to include the fourth quarter of the Fiscal Year 2023 for the Committee's consideration and approval. The Work Plan remains flexible and subject to change as the Committee deems it appropriate. On a motion by Mr. LaPlante, seconded by Ms. Clinton, the Committee unanimously approved the Work Plan for the fourth quarter of Fiscal Year 2023 as presented.

Mr. Leveque then referenced the "Recommendation for Five-Year Investment Manager Contract Term" memo. He asked the Committee to review the memo for discussion at the February Committee meeting.

Next, the IIC heard from representatives at Fidelity Investments (Fidelity).

Mr. Greenwood provided an overview of Fidelity and the firm's relationship with the NHRS. Mr. Coash discussed Fidelity's investment team and their investment philosophy and process. He reviewed performance attribution for the strategy over various periods and closed with a discussion of the fund's current positioning and the team's investment outlook.

Following Fidelity's presentation, Mr. Leveque discussed Staff's rebalancing plan for fixed income holdings. The Committee discussed Staff's recommendation to utilize the Mellon Investments Corporation U.S. Bond Index Fund passive lending vehicle to rebalance the fixed income holdings within the NHRS portfolio. On a motion by Mr. LaPlante, seconded by Ms. Clinton, the Committee unanimously voted to invest in the Mellon Investments Corporation U.S. Bond Index Fund (Lending) to replicate the Bloomberg Barclays U.S. Aggregate Bond index, subject to contract negotiation and legal review.

Mr. Leveque referenced the "Planning for a Staff-Driven Recommendation Process" memo and asked for the Committee's feedback. A discussion with the Committee followed.

On a motion by Mr. LaPlante, seconded by Ms. Clinton, the Committee unanimously voted to adjourn the meeting.

The meeting adjourned at 1:36 PM.