



**NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE EMPLOYER DEFINED  
BENEFIT PENSION PLAN**

Schedule of Employer Allocations and Schedule of Pension  
Amounts by Employer

June 30, 2017

(With Independent Auditors' Report Thereon)



KPMG LLP  
Two International Place  
Boston, MA 02110

## Independent Auditors' Report

The Board of Trustees  
New Hampshire Retirement System:

We have audited the accompanying schedule of employer allocations of the New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan (the Plan) for the year ended June 30, 2017, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (collectively, the specified column totals) included in the accompanying schedule of pension amounts by employer of the Plan as of and for the year ended June 30, 2017, and the related notes.

### ***Management's Responsibility for the Schedules***

Management is responsible for the preparation and fair presentation of these schedules in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on the schedule of employer allocations and the specified column totals included in the schedule of pension amounts by employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



***Opinions***

In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities in the New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan as of and for the year ended June 30, 2017, in accordance with U.S. generally accepted accounting principles.

***Other Matter***

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the New Hampshire Retirement System (the System) as of and for the year ended June 30, 2017, and our report thereon, dated December 12, 2017, expressed an unmodified opinion on those financial statements.

***Restriction on Use***

Our report is intended solely for the information and use of the System's management and Board of Trustees and the System's employers and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

*KPMG LLP*

January 9, 2018

NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Albany - Emp	\$ 4,484	0.00122399%
Alexandria - Emp/Pol	42,952	0.01172452%
Allenstown - Emp/Fire/Pol	234,685	0.06406149%
Allenstown Sd - (Sau 53)	308,891	0.08431735%
Allenstown Sewer Commission	19,632	0.00535891%
Alstead - Police	17,349	0.00473572%
Alton - Emp/Fire/Pol	385,599	0.10525618%
Alton Sd - Emp/Teach	550,245	0.15019926%
Amherst - Fire/Pol	336,060	0.09173362%
Amherst Sd - (Sau 39)	1,464,946	0.39988333%
Andover - Police	13,500	0.00368507%
Andover Sd - (Sau 46)	187,775	0.05125656%
Androscoggin Valley Reg Refuse	62,141	0.01696250%
Antrim - Emp/Pol	152,226	0.04155282%
Ashland - Emp/Pol	103,964	0.02837884%
Ashland Electric Dept - Emp	30,761	0.00839677%
Ashland Sd - (Sau 02)	178,164	0.04863307%
Atkinson - Emp/Police	142,802	0.03898037%
Auburn - Emp/Fire/Pol	200,581	0.05475219%
Auburn Sd - (Sau 15)	448,436	0.12240866%
Baker Free Library - Emp	13,171	0.00359526%
Barnstead - Emp/Fire/Pol	172,129	0.04698570%
Barnstead Sd - Emp/Teach	452,795	0.12359853%
Barrington - Emp/Pol/Fire	314,328	0.08580148%
Barrington Sd - Emp/Teach	901,065	0.24596188%
Bartlett - Fire/Pol	51,947	0.01417987%
Bartlett Sd - (Sau 09)	296,602	0.08096285%
Bath Sd - (Sau 23)	62,850	0.01715604%
Bcep Solid Waste District	40,554	0.01106994%
Bedford - Emp/Fire/Pol	1,656,188	0.45208627%
Bedford Sd - Emp/Teach	3,473,104	0.94804615%
Belknap County - Emp/Pol	1,086,760	0.29665067%
Belknap County Conserv. Dist	5,951	0.00162443%
Belmont - Emp/Fire/Pol	543,230	0.14828439%
Bennington - Emp/Pol	58,561	0.01598528%
Berlin - Emp/Fire/Pol	1,025,920	0.28004330%
Berlin Housing Authority - Emp	27,467	0.00749761%
Berlin Water Works - Emp	69,932	0.01908920%
Bethlehem - Emp/Fir/Pol	108,273	0.02955506%
Bethlehem Sd - (Sau 35)	186,703	0.05096394%
Boscawen - Emp/Pol	160,092	0.04369999%

NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Bow - Emp/Fire/Pol	\$ 469,451	0.12814509%
Bow Sd - Emp/Teach (Sau 67)	1,668,380	0.45541430%
Bradford - Police	40,916	0.01116876%
Brentwood - Emp/Fire/Pol	147,346	0.04022074%
Brentwood Sd - (Sau 16)	251,579	0.06867301%
Bristol - Emp/Fire/Pol	306,943	0.08378561%
Brookline - Emp/Fire/Pol	213,878	0.05838184%
Brookline Public Library - Emp	9,365	0.00255635%
Brookline Sd - (Sau 41)	466,463	0.12732946%
Campton - Emp/Pol	119,923	0.03273514%
Campton Sd - (Sau 48)	328,072	0.08955315%
Campton/Thornton Fire Dept	57,171	0.01560585%
Canaan - Emp/Pol	154,276	0.04211241%
Candia - Police	90,478	0.02469760%
Candia Sd - (Sau 15)	283,200	0.07730453%
Canterbury - Emp/Pol/Fire	65,277	0.01781853%
Carroll - Emp/Fire/Pol	101,054	0.02758451%
Carroll County - Emp/Pol	1,174,965	0.32072781%
Center Conway Fire Precinct	13,755	0.00375467%
Center Harbor - Police	50,019	0.01365358%
Central Hooksett Water Precinct	19,331	0.00527674%
Charlestown - Emp/Pol	159,025	0.04340873%
Cheshire County - Emp/Pol	1,823,297	0.49770168%
Chester - Emp/Fire/Pol	179,631	0.04903351%
Chester Sd - (Sau 82)	403,597	0.11016905%
Chesterfield - Emp/Pol	126,971	0.03465902%
Chesterfield Sd - (Sau 29)	235,678	0.06433255%
Chichester - Emp/Pol	88,266	0.02409379%
Chichester Sd - (Sau 53)	230,158	0.06282576%
Claremont - Emp/Fire/Pol	1,033,810	0.28219702%
Claremont Sd - (Sau 06)	1,583,670	0.43229118%
Clarksville - Emp	4,179	0.00114073%
Cochecho Arts & Tech Acad	24,429	0.00666833%
Colebrook - Emp/Pol	124,419	0.03396240%
Colebrook Sd - (Sau 07)	281,305	0.07678725%
Community College System Of Nh	4,689,352	1.28004289%
Concord - Emp/Fire/Pol	5,133,632	1.40131710%
Concord Sd - Emp/Teach	4,504,606	1.22961315%
Contoocook Valley Sd	2,488,683	0.67933074%
Conway - Emp/Pol	710,927	0.19406030%
Conway Sd - (Sau 09)	1,621,037	0.44249118%
Conway Village Fire District	117,198	0.03199130%

NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Cook Memorial Library	\$ 2,451	0.00066904%
Coos County - Emp/Pol	742,805	0.20276197%
Coos County Nursing Home - Emp	303,617	0.08287772%
Cornish - Emp	21,501	0.00586908%
Cornish Sd - (Sau 100)	96,881	0.02644541%
Croydon Sd - (Sau 99)	16,418	0.00448159%
Danville - Pol	63,466	0.01732419%
Deerfield - Emp/Pol	166,054	0.04532742%
Deerfield Sd - (Sau 53)	458,816	0.12524207%
Deering - Police	31,138	0.00849968%
Derry - Emp/Fire/Pol	3,199,399	0.87333345%
Derry Housing Authority - Emp	8,352	0.00227983%
Dorchester - Emp	1,485	0.00040536%
Dover - Emp/Fire/Pol/Teacher	5,704,762	1.55721730%
Dover Housing Authority	133,558	0.03645706%
Dresden Sd - (Sau 70)	805,333	0.21983011%
Dublin - Emp/Fir/Pol	76,922	0.02099724%
Dunbarton - Emp/Pol	82,773	0.02259438%
Dunbarton Sd - (Sau 67)	143,783	0.03924815%
Durham - Emp/Fire/Pol	1,145,684	0.31273503%
East Kingston - Emp/Pol/Fire	91,336	0.02493180%
East Kingston Sd - (Sau 16)	148,204	0.04045494%
Effingham - Pol	29,322	0.00800397%
Enfield - Emp/Pol	264,046	0.07207610%
Epping - Emp/Fire/Pol	420,169	0.11469268%
Epping Sd - (Sau 14)	946,234	0.25829157%
Epsom - Emp/Fire/Pol	192,395	0.05251767%
Epsom Sd - (Sau 53)	323,364	0.08826801%
Errol Sd - (Sau 20)	19,942	0.00544353%
Exeter - Emp/Fire/Pol	1,406,735	0.38399360%
Exeter Reg Coop Sd - (Sau 16)	3,079,212	0.84052625%
Exeter Sd - (Sau 16)	1,151,629	0.31435783%
Fall Mountain Reg Sd	1,632,426	0.44560001%
Farmington - Fire/Pol	176,657	0.04822170%
Farmington Sd - (Sau 61)	888,320	0.24248291%
Fitzwilliam - Emp/Pol	67,841	0.01851842%
Francestown - Emp/Pol	26,921	0.00734857%
Franconia - Police	49,113	0.01340628%
Franklin - Emp/Fire/Pol	797,994	0.21782680%
Franklin Sd - (Sau 18)	738,901	0.20169631%
Freedom - Police/Fire	33,423	0.00912341%
Freedom Sd - (Sau 13)	81,474	0.02223979%

NEW HAMPSHIRE RETIREMENT SYSTEM  
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Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Fremont - Police	\$ 54,062	0.01475719%
Fremont Sd - (Sau 83)	376,440	0.10275606%
Gilford - Emp/Fire/Pol	770,168	0.21023119%
Gilford Sd - Emp/Teach	1,372,109	0.37454181%
Gilmanton - Emp/Fire/Pol	175,018	0.04777431%
Gilmanton Sd - Emp/Teach	417,107	0.11385685%
Goffstown - Emp/Fire/Pol	1,223,362	0.33393864%
Goffstown Sd - (Sau 19)	2,187,207	0.59703745%
Goffstown Village Water Prcnct	12,627	0.00344677%
Gorham - Emp/Fire/Pol	265,133	0.07237282%
Goshen - Emp/Pol	12,096	0.00330182%
Governor Wentworth Reg Sd	2,561,383	0.69917552%
Grafton - Emp/Pol	20,847	0.00569056%
Grafton County - Emp/Pol	1,911,928	0.52189510%
Grantham - Emp/Pol	107,904	0.02945434%
Grantham Sd (Sau75)	246,501	0.06728688%
Great Bay Elearning Charter Sc	83,289	0.02273523%
Greenfield - Emp/Pol	85,884	0.02344358%
Greenland - Emp/Pol	179,198	0.04891531%
Greenland Sd - (Sau 50)	318,228	0.08686605%
Greenville - Emp/Pol	105,694	0.02885108%
Groton - Emp/Pol	21,747	0.00593623%
Grs Coop Sd - (Sau 20)	363,969	0.09935188%
Hampstead - Emp/Fire/Pol	278,677	0.07606989%
Hampstead Sd - (Sau 55)	984,649	0.26877764%
Hampton - Emp/Fire/Pol	1,934,036	0.52792988%
Hampton Falls - Emp/Fire/Pol	98,928	0.02700418%
Hampton Falls Sd - (Sau 21)	327,937	0.08951630%
Hampton Sd - (Sau 90)	1,239,390	0.33831377%
Hancock - Police	40,441	0.01103910%
Hanover - Emp/Fire/Pol	1,363,402	0.37216508%
Hanover Sd - (Sau 70)	569,025	0.15532560%
Harrisville - Police	13,453	0.00367224%
Harrisville Sd - (Sau 29)	63,708	0.01739024%
Haverhill - Emp/Pol	154,625	0.04220767%
Haverhill Coop Sd - (Sau 23)	685,373	0.18708488%
Hebron - Emp/Pol	20,008	0.00546154%
Henniker - Emp/Fire/Pol	258,708	0.07061900%
Henniker Sd - (Sau 24)	406,015	0.11082909%
Hill Sd - (Sau 103)	39,248	0.01071345%
Hillsboro-Deering Sd (Sau 34)	1,130,656	0.30863287%
Hillsborough - Fire/Pol	260,913	0.07122089%

NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Hillsborough County - Emp/Pol	\$ 3,668,916	1.00149655%
Hinsdale - Emp/Pol	178,215	0.04864699%
Hinsdale Sd - (Sau 92)	565,340	0.15431971%
Holderness - Emp/Fire/Pol	114,185	0.03116885%
Holderness Sd - (Sau 48)	206,455	0.05635560%
Hollis - Emp/Fire/Pol	570,697	0.15578200%
Hollis Sd - (Sau 41)	661,757	0.18063846%
Hollis-Brookline Coop (Sau 41)	1,107,580	0.30233386%
Hooksett - Emp/Fire/Police	1,154,486	0.31513770%
Hooksett Public Library - Emp	32,726	0.00893315%
Hooksett Sd - (Sau 15)	1,049,064	0.28636087%
Hooksett Sewer Commission	34,822	0.00950529%
Hooksett Village Water Precnct	31,600	0.00862579%
Hopkinton - Emp/Fire/Pol	326,464	0.08911422%
Hopkinton Sd - Emp/Teach	1,003,634	0.27395993%
Hudson - Emp/Fire/Pol	2,116,407	0.57771132%
Hudson Sd - Emp/Teach	2,720,074	0.74249308%
Inter-Lakes Sd - (Sau 02)	1,364,069	0.37234714%
Jackson - Emp/Pol/Fire	58,675	0.01601640%
Jackson Sd - (Sau 09)	59,744	0.01630820%
Jaffrey - Emp/Fire/Pol	380,045	0.10374011%
Jaffrey-Rindge Coop Sd	1,406,037	0.38380306%
Jefferson - Emp	10,997	0.00300183%
John Stark Reg Sd - (Sau 24)	747,571	0.20406294%
Kearsarge Reg Coop Sd	1,976,562	0.53953812%
Keene - Emp/Fire/Pol	2,752,386	0.75131322%
Keene Sd - (Sau 29)	3,137,062	0.85631744%
Kensington - Police	51,327	0.01401063%
Kensington Sd - (Sau 16)	135,523	0.03699344%
Kingston - Emp/Fire/Pol	247,897	0.06766794%
Laconia - Emp/Fire/Pol	1,851,539	0.50541084%
Laconia Housing & Redevelopmnt	104,755	0.02859476%
Laconia Sd - Empl/Teach	1,967,473	0.53705711%
Laconia Water Works - Emp	100,755	0.02750289%
Lafayette Reg Coop Sd (Sau 35)	141,803	0.03870768%
Lakes Region Mutual Fire Aid	69,290	0.01891395%
Lakes Region Planning Comm.	21,066	0.00575034%
Lancaster - Emp/Fire/Pol	217,446	0.05935579%
Landaff Sd - (Sau 35)	8,006	0.00218538%
Langdon - Police	5,056	0.00138013%
Lebanon - Emp/Fire/Pol	1,927,693	0.52619844%
Lebanon Sd(Sau 88) - Emp/Teach	2,268,415	0.61920464%



NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN  
 Schedule of Employer Allocations  
 Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Lee - Emp/Fire/Pol	\$ 198,507	0.05418605%
Lempster - Emp/Pol	29,712	0.00811042%
Lempster Sd Emp/Teachers	103,852	0.02834827%
Lincoln - Emp/Pol	218,106	0.05953595%
Lincoln-Woodstock Sd	408,414	0.11148394%
Lisbon - Police	40,264	0.01099078%
Lisbon Reg Sd - (Sau 35)	357,054	0.09746431%
Litchfield - Emp/Fire/Pol	343,750	0.09383274%
Litchfield Sd - Emp/Teach	1,116,234	0.30469613%
Littleton - Emp/Fire/Pol	409,897	0.11188875%
Littleton Public Library - Emp	14,275	0.00389662%
Littleton Sd - Emp/Teach	979,052	0.26724984%
Littleton Water & Light Dept	121,418	0.03314322%
Londonderry - Emp/Fire/Pol	2,644,855	0.72196070%
Londonderry Sd - Emp/Teach	4,308,790	1.17616166%
Loudon - Emp/Fire/Pol	197,533	0.05392018%
Lyme - Emp/Pol	59,307	0.01618891%
Lyme Sd - (Sau 76)	249,543	0.06811725%
Lyndeborough - Police	9,927	0.00270975%
Madison - Emp/Pol	98,005	0.02675223%
Madison Sd - (Sau 13)	162,581	0.04437941%
Manchester - Fire/Pol	9,270,371	2.53051435%
Manchester Sd - Empl/Teacher	10,207,127	2.78621873%
Marlborough - Emp/Pol	64,752	0.01767522%
Marlborough Sd - (Sau 29)	147,984	0.04039489%
Marlow - Emp	18,153	0.00495519%
Marlow Sd - (Sau 29)	37,215	0.01015850%
Mascenic Reg Sd - (Sau 87)	810,641	0.22127903%
Mascoma Valley Sd - Empl/Teach	1,238,916	0.33818438%
Mason - Police	33,753	0.00921349%
Mason Sd (Sau 89)	57,271	0.01563315%
Maxfield Public Library	8,287	0.00226209%
Meredith - Emp/Fire/Pol	610,343	0.16660409%
Meriden Village Water District	5,339	0.00145738%
Merrimack - Emp/Fire/Pol	2,112,466	0.57663555%
Merrimack County - Emp/Pol	3,827,031	1.04465688%
Merrimack Sd - Emp/Teach	3,629,566	0.99075526%
Merrimack Valley Sd (Sau 46)	2,132,740	0.58216971%
Merrimack Village District	83,489	0.02278982%
Middleton - Police	52,001	0.01419461%
Middleton Sd - Emp/Teach	83,124	0.02269019%
Milan Sd - (Sau 20)	68,904	0.01880858%

NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Milford - Emp/Fire/Pol	\$ 920,916	0.25138057%
Milford Area Communication Ctr	31,954	0.00872242%
Milford Sd - Empl/Teacher	2,176,494	0.59411315%
Milton - Emp/Fire/Pol	204,103	0.05571358%
Milton Sd - (Sau 64)	501,715	0.13695212%
Monadnock Reg Sd - (Sau 93)	1,785,366	0.48734773%
Monroe - Emp	9,874	0.00269529%
Monroe Sd - Emp/Tch	111,415	0.03041273%
Mont Vernon - Emp/Pol	76,899	0.02099096%
Mont Vernon Sd - (Sau 39)	149,375	0.04077459%
Moultonborough - Emp/Fire/Pol	398,389	0.10874744%
Moultonborough Sd - Emp/Teach	796,606	0.21744792%
Nashua - Emp/Fire/Pol	8,898,254	2.42893832%
Nashua Airport Authority - Emp	22,720	0.00620183%
Nashua Housing Authority	128,422	0.03505509%
Ne Interstate Water Pol Cntrl	19,205	0.00524235%
Nelson - Emp	16,933	0.00462217%
Nelson Sd - (Sau 29)	44,756	0.01221695%
New Boston - Police	91,422	0.02495528%
New Boston Sd - (Sau 19)	423,719	0.11566171%
New Castle - Emp/Fire/Pol	119,400	0.03259238%
New Castle Sd - (Sau 50)	49,481	0.01350673%
New Durham - Emp/Pol	90,736	0.02476802%
New Hampton - Emp/Pol/Fire	109,547	0.02990282%
New Ipswich - Emp/Pol	112,494	0.03070726%
New London - Emp/Fire/Pol	312,662	0.08534671%
New London-Springfield Wtr Sys	16,613	0.00453482%
Newbury - Police	60,249	0.01644605%
Newfields - Emp/Pol	48,583	0.01326160%
Newfields Sd - (Sau 16)	124,374	0.03395012%
Newfound Area Sd - Emp/Teach	1,299,338	0.35467766%
Newington - Emp/Fire/Pol	367,358	0.10027697%
Newington Sd - (Sau 50)	66,251	0.01808440%
Newmarket - Emp/Pol/Fire	434,112	0.11849867%
Newmarket Sd - Emp/Teach	1,084,927	0.29615032%
Newport - Emp/Fire/Pol	492,587	0.13446047%
Newport Sd - (Sau 43)	816,626	0.22291274%
Newton - Emp/Pol	115,994	0.03166265%
Next Charter School	34,507	0.00941931%
Nh Community Developmental Fin	8,469	0.00231177%
Nh Land & Community Heritage	10,235	0.00279383%
Nh Municipal Bond Bank - Emp	36,318	0.00991365%

NEW HAMPSHIRE RETIREMENT SYSTEM  
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Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
North Conway Wtr Prct&Fire Dep	\$ 107,779	0.02942021%
North Country Charter Academy	25,857	0.00705813%
North Country Education Servic	107,800	0.02942595%
North Hampton - Emp/Fire/Pol	532,397	0.14532733%
North Hampton Sd - (Sau 21)	510,882	0.13945442%
Northfield - Emp/Pol	169,980	0.04639910%
Northumberland - Emp/Pol	55,816	0.01523598%
Northumberland Sd - (Sau 58)	284,079	0.07754447%
Northwood - Emp/Fire/Pol	190,751	0.05206891%
Northwood Sd - (Sau 44)	277,582	0.07577099%
Nottingham - Fire/Pol	113,334	0.03093655%
Nottingham Sd - (Sau 44)	404,265	0.11035140%
Orford - Emp/Pol	28,086	0.00766658%
Ossipee - Emp/Pol	301,168	0.08220922%
Oyster River Coop Sd	2,385,792	0.65124480%
Pease Development Authority	371,439	0.10139095%
Pelham - Emp/Fire/Pol	950,598	0.25948281%
Pelham Sd - (Sau 28)	1,412,060	0.38544715%
Pembroke - Emp/Pol	293,473	0.08010873%
Pembroke Sd - (Sau 53)	1,441,510	0.39348606%
Pemi Baker Coop - (Sau 48)	743,362	0.20291402%
Penacook Boscawen Water Prcnct	7,061	0.00192743%
Peterborough - Emp/Fire/Pol	497,852	0.13589765%
Piermont Police	13,073	0.00356851%
Piermont Sd - (Sau 23)	60,126	0.01641247%
Pittsburg - Emp/Pol	27,266	0.00744274%
Pittsburg Sd - (Sau 07)	127,302	0.03474937%
Pittsfield - Emp/Fire/Pol	234,622	0.06404429%
Pittsfield Sd - (Sau 51)	544,995	0.14876618%
Plainfield - Emp/Pol	93,374	0.02548811%
Plainfield Sd - Emp/Teach	223,946	0.06113008%
Plaistow - Emp/Fire/Pol	485,747	0.13259337%
Plaistow Public Library - Emp	12,825	0.00350081%
Plymouth - Emp/Fire/Pol	544,327	0.14858384%
Plymouth Sd - (Sau 48)	497,095	0.13569101%
Plymouth Village Water & Sewer	59,685	0.01629209%
Portsmouth - Emp/Fire/Pol	3,776,439	1.03084688%
Portsmouth Housing Authority	148,117	0.04043120%
Portsmouth Sd - Empl/Teacher	3,086,295	0.84245968%
Portsmouth-Josie F. Prescott	3,476	0.00094884%
Profile Coop Sd - (Sau 35)	296,912	0.08104747%
Prospect Mountain High School	496,580	0.13555043%

NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Raymond - Emp/Fire/Pol	\$ 488,134	0.13324495%
Raymond Sd - Emp/Teach	1,144,122	0.31230866%
Rindge - Emp/Fire/Pol	205,669	0.05614105%
Rivendell Interstate Sd	92,897	0.02535791%
Rochester - Emp/Fire/Pol	2,206,428	0.60228417%
Rockingham County-Emp/Pol/Fire	2,989,878	0.81614093%
Rockingham Planning Comm - Emp	35,835	0.00978181%
Rollinsford - Emp/Pol	53,419	0.01458168%
Rollinsford Sd - (Sau 56)	155,225	0.04237145%
Rumney - Emp/Pol	42,619	0.01163362%
Rumney Sd - (Sau 48) Emp/Teach	132,855	0.03626516%
Rye - Emp/Fire/Pol	500,339	0.13657652%
Rye Sd - (Sau 50)	541,731	0.14787521%
Rye Water District - Emp	25,014	0.00682802%
Salem - Emp/Fire/Pol	3,566,426	0.97352006%
Salem Housing Authority - Emp	30,622	0.00835883%
Salem Sd - Emp/Teach	3,583,613	0.97821156%
Salisbury - Emp	5,460	0.00149041%
Sanborn Regional Sd (Sau 17)	1,835,350	0.50099176%
Sanbornton - Emp/Fire/Pol	139,717	0.03813827%
Sanbornton Public Library	7,262	0.00198229%
Sandown - Emp/Fire/Pol	177,297	0.04839640%
Sandown Public Library	4,358	0.00118959%
Sandwich - Police	28,062	0.00766003%
Sau 02 - Emp/Teach	62,864	0.01715986%
Sau 03 - Emp/Teach	1,083,512	0.29576407%
Sau 06 - Emp	99,036	0.02703366%
Sau 07 - Emp/Teach	54,319	0.01482735%
Sau 09 - Emp/Teach	85,167	0.02324786%
Sau 10 (Derry Coop Sd)	3,205,246	0.87492949%
Sau 13 - Emp	38,723	0.01057014%
Sau 15 - Emp/Teach	66,981	0.01828367%
Sau 16 - Emp/Teach	159,318	0.04348871%
Sau 18 - Emp/Teach	133,638	0.03647889%
Sau 19 - Emp/Teach	124,763	0.03405630%
Sau 20 - Emp	47,513	0.01296953%
Sau 21 - Emp/Teach	82,735	0.02258400%
Sau 23 - Emp/Teach	153,968	0.04202833%
Sau 24 - Emp/Teach	144,291	0.03938682%
Sau 29 - Emp/Teach	203,490	0.05554625%
Sau 34 - Emp/Teach	62,134	0.01696059%
Sau 35 - Emp/Teach	77,122	0.02105184%

NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Sau 39 - Emp	\$ 137,038	0.03740698%
Sau 41 - Emp	87,270	0.02382191%
Sau 42	9,295,028	2.53724492%
Sau 44 - Emp/Teach	142,409	0.03887310%
Sau 46 - Emp	71,726	0.01957890%
Sau 48 - Emp/Teach	113,913	0.03109460%
Sau 50 - Emp/Teach	97,946	0.02673612%
Sau 53 - Emp/Teach	278,262	0.07595661%
Sau 54 (Rochester Sd)	3,896,042	1.06349467%
Sau 55 - Emp	120,976	0.03302257%
Sau 56 - Emp/Teach	99,222	0.02708443%
Sau 58 - Emp	35,455	0.00967808%
Sau 64 - Emp/Teach	37,999	0.01037251%
Sau 67 - Emp/Teachers	54,327	0.01482953%
Sau 70 - Emp	100,079	0.02731836%
Sau 71 Emp/Teacher	15,355	0.00419142%
Seabrook - Fire/Pol	1,125,778	0.30730133%
Seabrook Sd (Sau 21)	739,954	0.20198374%
Seacoast Charter Sch - Teach	66,143	0.01805492%
Shaker Regional Sd - (Sau 80)	1,227,291	0.33501113%
Shelburne - Emp	10,332	0.00282031%
Somersworth - Emp/Fire/Pol	917,982	0.25057968%
Somersworth Housing Authority	52,900	0.01444001%
Somersworth Sd - (Sau 56)	1,367,617	0.37331564%
Souhegan Coop Sd - (Sau 39)	1,050,844	0.28684675%
South Hampton - Police	21,632	0.00590484%
South Hampton Sd - (Sau 21)	84,720	0.02312585%
Southern Nh Planning Comm	68,411	0.01867401%
Springfield - Emp/Pol	38,193	0.01042547%
Stark - Emp	2,660	0.00072609%
Stark Sd - (Sau 58)	23,883	0.00651929%
State Of New Hampshire	72,661,387	19.83423125%
Stewartstown - Emp/Pol	4,194	0.00114483%
Stewartstown Sd - (Sau 07)	50,038	0.01365877%
Stoddard Sd - (Sau 24)	38,343	0.01046641%
Strafford - Fire / Police	82,713	0.02257800%
Strafford County - Emp/Pol	2,865,974	0.78231910%
Strafford Sd (Sau 44)	365,965	0.09989672%
Stratford - Emp	8,249	0.00225171%
Stratford Sd - (Sau 58)	64,556	0.01762172%
Stratham - Emp/Pol	322,502	0.08803272%
Stratham Sd - (Sau 16)	586,860	0.16019398%

NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

Entity	2017 Employer Contribution	Proportionate Share
Sugar Hill - Emp/Pol	\$ 27,348	0.00746513%
Sullivan County - Emp/Pol	1,281,129	0.34970718%
Sunapee - Emp/Pol	239,553	0.06539030%
Sunapee Sd (Sau 85)- Emp/Teach	651,168	0.17774801%
Sutton - Police	41,254	0.01126102%
Swanzey - Police/Fire	197,747	0.05397860%
Swnh District Fire Mutual Aid	119,009	0.03248565%
Tamworth - Emp/Fire/Pol	72,226	0.01971538%
Tamworth Sd - (Sau 13)	301,008	0.08216554%
Thornton - Emp/Pol	86,621	0.02364476%
Thornton Public Library	2,358	0.00064366%
Thornton Sd - (Sau 48)	217,216	0.05929301%
Tilton - Emp/Pol	351,167	0.09585734%
Tilton-Northfield Fire Dist	227,401	0.06207319%
Timberlane Reg Sd (Sau 55)	4,007,708	1.09397591%
Troy - Emp/Pol	66,745	0.01821925%
Troy Water And Sewer	14,643	0.00399707%
Tuftonboro - Emp/Fire/Pol	142,030	0.03876964%
Unity - Emp	14,077	0.00384257%
Unity Sd - (Sau 06)	68,989	0.01883179%
Village District Of Eastman	21,018	0.00573724%
Village District Of Eidelweiss	14,424	0.00393729%
Virtual Learning Academy Chart	270,172	0.07374830%
Wakefield - Emp/Fire/Pol	267,513	0.07302248%
Wakefield Sd - (Sau 64)	351,556	0.09596353%
Walpole - Emp/Pol	135,816	0.03707342%
Warner - Emp/Pol	117,622	0.03210704%
Warner Village Water District	11,516	0.00314350%
Warren - Police	5,567	0.00151961%
Warren Sd - (Sau 23)	86,332	0.02356587%
Washington - Emp/Pol	30,519	0.00833071%
Washington Sd - (Sau 34)	39,186	0.01069652%
Waterville Estates Village Dis	30,875	0.00842789%
Waterville Valley Emp/Fire/Pol	171,494	0.04681237%
Waterville Valley Sd (Sau 48)	46,175	0.01260430%
Weare - Emp/Pol	248,666	0.06787785%
Weare Sd - (Sau 24)	659,209	0.17994294%
Webster - Emp/Pol	37,819	0.01032338%
Weeks Public Library	10,828	0.00295570%
Wentworth Sd - (Sau 48)	70,663	0.01928874%
Westmoreland - Emp	22,477	0.00613550%
Westmoreland Sd - (Sau 29)	106,879	0.02917454%

NEW HAMPSHIRE RETIREMENT SYSTEM  
 COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN

Schedule of Employer Allocations

Year ended June 30, 2017

<b>Entity</b>	<b>2017 Employer Contribution</b>	<b>Proportionate Share</b>
White Mtn Reg Sd - Emp/Teach	\$ 1,139,228	0.31097275%
Whitefield - Emp/Pol/Fire	117,235	0.03200140%
Wilmot - Emp/Pol	40,418	0.01103282%
Wilton - Pol	111,863	0.03053502%
Wilton-Lyndeborough (Sau 63)	600,228	0.16384302%
Winchester - Emp/Pol	156,337	0.04267499%
Winchester Sd - (Sau 94)	336,180	0.09176637%
Windham - Emp/Fire/Pol	1,162,737	0.31738996%
Windham Sd - (Sau 95)	2,503,795	0.68345584%
Winnacunnet Coop Sd (Sau 21)	1,313,060	0.35842332%
Winnisquam Reg Sd	1,324,448	0.36153188%
Wolfeboro - Emp/Fire/Pol	748,660	0.20436020%
Woodstock - Emp/Pol	121,678	0.03321420%
Woodsville Fire District	37,724	0.01029744%
Woodsville Water & Light Dept	45,553	0.01243451%
 <i><b>Total for All Entities</b></i>	 <b>\$ 366,343,349</b>	 <b>100.0000%</b>

See accompanying notes to schedule of employer allocations and schedule of pension amounts by employer.



















**NEW HAMPSHIRE RETIREMENT SYSTEM**  
**COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLAN**  
**Schedule of Pension Amounts by Employer**  
**Year ended June 30, 2017**

Entity	Deferred Outflows of Resources					Deferred Inflows of Resources					Pension Expense		
	Net Pension Liability	Differences Between Expected and Actual Experience	Changes in Assumptions	Changes in Proportion	Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Assumptions	Changes in Proportion	Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Amortization of Deferred Amounts from Changes in Proportion	Total Pension Expense
Weare Sd - (Sau 24)	\$ 8,849,581	\$ 20,066	\$ 888,615	\$ 404,805	\$ 1,313,486	\$ (112,630)	\$ (112,704)	\$ -	\$ -	\$ (225,334)	\$ 938,827	\$ 160,169	\$ 1,098,996
Webster - Emp/Pol	507,703	1,151	50,980	19,636	71,767	(6,462)	(6,466)	-	(2,536)	(15,464)	53,861	8,764	62,625
Weeks Public Library	145,361	330	14,596	6,573	21,499	(1,850)	(1,851)	-	(7,042)	(10,743)	15,421	(724)	14,697
Wentworth Sd - (Sau 48)	948,619	2,151	95,254	264,088	361,493	(12,073)	(12,081)	-	(56,935)	(81,089)	100,636	62,856	163,492
Westmoreland - Emp	301,743	684	30,299	22,975	53,958	(3,840)	(3,843)	-	(11,522)	(19,205)	32,011	3,324	35,335
Westmoreland Sd - (Sau 29)	1,434,802	3,253	144,073	40,993	188,319	(18,261)	(18,273)	-	(36,374)	(72,908)	152,214	7,411	159,625
White Mtn Reg Sd - Emp/Teach	15,293,618	34,677	1,535,681	432,877	2,003,235	(194,644)	(194,772)	-	(50,079)	(439,495)	1,622,457	153,217	1,775,674
Whitefield - Emp/Pol/Fire	1,573,827	3,569	158,033	725	162,327	(20,030)	(20,043)	-	(69,578)	(109,651)	166,963	(20,933)	146,030
Wilmot - Emp/Pol	542,593	1,230	54,484	21,447	77,161	(6,906)	(6,910)	-	(9,601)	(23,417)	57,562	734	58,296
Wilton - Pol	1,501,710	3,405	150,792	115,494	269,691	(19,112)	(19,125)	-	(56,555)	(94,792)	159,312	33,672	192,984
Wilton-Lyndeborough (Sau 63)	8,057,788	18,270	809,108	175,999	1,003,377	(102,552)	(102,620)	-	(281,594)	(486,766)	854,828	14,328	869,156
Winchester - Emp/Pol	2,098,753	4,759	210,742	42,824	258,325	(26,711)	(26,729)	-	(68,036)	(121,476)	222,651	(3,443)	219,208
Winchester Sd - (Sau 94)	4,513,063	10,233	453,171	87,673	551,077	(57,438)	(57,476)	-	(238,090)	(353,004)	478,778	(32,442)	446,336
Windham - Emp/Fire/Pol	15,609,215	35,393	1,567,371	211,572	1,814,336	(198,660)	(198,791)	-	(111,817)	(509,268)	1,655,937	79,341	1,735,278
Windham Sd - (Sau 95)	33,612,309	76,213	3,375,119	2,022,173	5,473,505	(427,788)	(428,070)	-	-	(855,858)	3,565,835	709,569	4,275,404
Winnacunnet Coop Sd (Sau 21)	17,627,233	39,968	1,770,007	314,669	2,124,644	(224,344)	(224,492)	-	(581,579)	(1,030,415)	1,870,023	(55,339)	1,814,684
Winnisquam Reg Sd	17,780,112	40,315	1,785,358	634,578	2,460,251	(226,290)	(226,439)	-	-	(452,729)	1,886,242	221,530	2,107,772
Wolfboro - Emp/Fire/Pol	10,050,420	22,789	1,009,195	737,166	1,769,150	(127,913)	(127,997)	-	(69,532)	(325,442)	1,886,221	155,657	1,221,878
Woodstock - Emp/Pol	1,633,472	3,704	164,022	153,401	321,127	(20,789)	(20,803)	-	-	(41,592)	173,290	52,863	226,153
Woodsville Fire District	506,427	1,148	50,852	43,216	95,216	(6,445)	(6,450)	-	(31,712)	(44,607)	53,725	(2,266)	51,459
Woodsville Water & Light Dept	611,528	1,387	61,406	20,219	83,012	(7,783)	(7,788)	-	(7,714)	(23,285)	64,875	2,260	67,135
<b>Total for All Entities</b>	<b>\$ 4,917,992,831</b>	<b>\$ 11,151,148</b>	<b>\$ 493,831,383</b>	<b>\$ 127,070,748</b>	<b>\$ 632,053,279</b>	<b>\$ (62,591,924)</b>	<b>\$ (62,633,113)</b>	<b>\$ -</b>	<b>\$ (127,070,748)</b>	<b>\$ (252,295,785)</b>	<b>\$ 521,735,934</b>	<b>\$ -</b>	<b>\$ 521,735,934</b>

See accompanying notes to schedule of employer allocations and schedule of pension amounts by employer.



**NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE-EMPLOYER DEFINED  
BENEFIT PENSION PLAN**

Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

June 30, 2017

**(1) Plan Description**

The New Hampshire Retirement System (NHRS or the System) administers a cost-sharing multiple-employer defined benefit pension plan (Pension Plan). For additional System information, please refer to the fiscal 2017 Comprehensive Annual Financial Report, which can be found on the System's website at [www.nhrs.org](http://www.nhrs.org).

Benefit formulas and eligibility requirements for the Pension Plan are set by state law (RSA 100-A). The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II.

Group I benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service OR age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012, the benefit is calculated the same way but the multiplier used in the calculation will change depending on age and years of creditable service, as follows:

<u>Years of creditable service as of January 1, 2012</u>	<u>Minimum age</u>	<u>Minimum service</u>	<u>Benefit multiplier</u>
At least 3 but less than 10 years	46	21	2.4 %
At least 6 but less than 8 years	47	22	2.3
At least 4 but less than 6 years	48	23	2.2
Less than 4 years	49	24	2.1

**(2) Basis of Presentation**

The accompanying Schedule of Employer Allocations and Schedule of Pension Amounts by Employer (the Schedules) are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). The Schedules present amounts that are elements of the financial statements of NHRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the fiduciary net position or changes in fiduciary net position of NHRS or its participating employers.

The preparation of the Schedules in accordance with GAAP requires management to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

**NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE-EMPLOYER DEFINED  
BENEFIT PENSION PLAN**

Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer  
June 30, 2017

**(3) Allocation Methodology**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in the System to recognize their proportionate share of collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer allocation percentages presented in the Schedule of Employer Allocations and applied to amounts presented in the Schedule of Pension Amounts by Employer are based on the ratio of each employer's contribution to the Pension Plan's total employer contributions during the measurement period July 1, 2016 through June 30, 2017.

A reconciliation of total employer contributions presented in the Schedule of Employer Allocations to employer contributions for the Pension Plan pursuant to the Pension Plan's Statement of Changes in Fiduciary Net Position, which is included in the System's combined financial statements for the year ended June 30, 2017, is as follows:

Total employer contributions per schedule	\$	366,343,349
Contribution adjustments		(135,911)
Other miscellaneous items		<u>445,576</u>
Total employer contributions per System financial statements	\$	<u>366,653,014</u>

*Employer Contributions Excluded from Proportionate Share Allocation*

NHRS participates as an employer in the Pension Plan and its employees are members of the Pension Plan. NHRS's employer contributions are excluded from the Schedules because those contributions are funded as a component of normal cost and included in the pension contribution rate paid by all other participating employers.

**(4) Collective Net Pension Liability**

The components of the collective net pension liability of the participating employers as of June 30, 2017 were as follows:

Collective total pension liability	\$	13,171,980,810
Plan fiduciary net position		<u>8,253,987,979</u>
Collective net pension liability	\$	<u>4,917,992,831</u>

The collective total pension liability is based upon the June 30, 2016 actuarial valuation, rolled forward to determine the collective total pension liability as of June 30, 2017. The roll-forward of the total pension liability from June 30, 2016 to June 30, 2017 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

**NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE-EMPLOYER DEFINED  
BENEFIT PENSION PLAN**

Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

June 30, 2017

**(a) Actuarial Assumptions**

The collective total pension liability was determined using the actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017, using the following actuarial assumptions:

Inflation	2.5%
Salary increases	5.6% average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

**NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE-EMPLOYER DEFINED  
BENEFIT PENSION PLAN**

Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

June 30, 2017

**(b) Long-Term Rates of Return**

The long-term expected rate of return on Pension Plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and geometric real rates of return for each asset class:

<b>Asset class</b>	<b>Target allocation</b>	<b>2017 Weighted average long-term expected real rate of return</b>
Large cap equities	22.50%	4.25%
Small/mid cap equities	<u>7.50</u>	4.50
Total domestic equity	<u>30.00</u>	
International equities (unhedged)	13.00	4.50
Emerging international equities	<u>7.00</u>	6.25
Total international equity	<u>20.00</u>	
Core bonds	5.00	0.75
Short duration	2.00	(0.25)
Global multi-sector fixed income	11.00	2.11
Absolute return fixed income	<u>7.00</u>	1.26
Total fixed income	<u>25.00</u>	
Private equity	5.00	6.25
Private debt	5.00	4.75
Opportunistic	<u>5.00</u>	2.84
Total alternative investments	15.00	
Real estate	<u>10.00</u>	3.25
Total	<u><u>100.00%</u></u>	

**NEW HAMPSHIRE RETIREMENT SYSTEM  
COST-SHARING MULTIPLE-EMPLOYER DEFINED  
BENEFIT PENSION PLAN**

Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

June 30, 2017

**(c) Discount Rate**

The discount rate used to measure the collective total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investments was applied to all periods of projected benefit payments to determine the collective total pension liability.

**(d) Sensitivity Analysis**

The following table illustrates the sensitivity of the collective net pension liability to changes in the discount rate. In particular, the table presents the Pension Plan's collective net pension liability at June 30, 2017 assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the single discount rate:

<u>Fiscal year ended</u>	<u>1% Decrease to 6.25%</u>	<u>Current single rate assumption 7.25%</u>	<u>1% Increase to 8.25%</u>
June 30, 2017	\$ 6,479,208,704	4,917,992,831	3,638,638,217

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**(5) Collective Deferred Outflows (Inflows) of Resources**

Annual changes to the net pension liability resulting from differences between expected and actual experience with regard to economic or demographic factors or other inputs are deferred and amortized over a closed period equal to the average of the expected service lives of all employees that are provided with pension benefits determined for the period during which the changes occurred. Differences between projected and actual earnings on Pension Plan investments are amortized over a closed 5-year period. The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding any employer-specific "deferrals") for the year ended June 30, 2017:

	<u>Year of deferral</u>	<u>Amortization periods in year</u>	<u>Beginning of year balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>End of year balance</u>
Deferred outflows of resources:						
Difference between expected and actual experience	2016	5.075	\$ 14,777,538	—	3,626,390	11,151,148
Change in assumptions	2016	5.075	<u>654,426,955</u>	<u>—</u>	<u>160,595,572</u>	<u>493,831,383</u>
Total			<u>\$ 669,204,493</u>	<u>—</u>	<u>164,221,962</u>	<u>504,982,531</u>
Deferred inflows of resources:						
Difference between expected and actual experience	2015	5.394	\$ (67,148,010)	—	(19,783,745)	(47,364,265)
	2017	4.987	<u>—</u>	<u>(19,046,986)</u>	<u>(3,819,327)</u>	<u>(15,227,659)</u>
			<u>(67,148,010)</u>	<u>(19,046,986)</u>	<u>(23,603,072)</u>	<u>(62,591,924)</u>
Difference between projected and actual earnings on plan investments	2014	5	(240,137,215)	—	(120,068,608)	(120,068,607)
	2015	5	190,746,954	—	63,582,318	127,164,636
	2016	5	382,086,368	—	95,521,592	286,564,776
	2017	5	<u>—</u>	<u>(445,367,397)</u>	<u>(89,073,479)</u>	<u>(356,293,918)</u>
Subtotal			<u>332,696,107</u>	<u>(445,367,397)</u>	<u>(50,038,177)</u>	<u>(62,633,113)</u>
Total			<u>\$ 265,548,097</u>	<u>(464,414,383)</u>	<u>(73,641,249)</u>	<u>(125,225,037)</u>

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Amounts reported as deferred outflows of resources and deferred (inflows) of resources related to pensions will be recognized (amortized) in pension expense as follows:

Year ended June 30:		
2018	\$	90,580,713
2019		210,649,320
2020		159,053,973
2021		(80,526,512)
2022		—
		<u>                    </u>
	\$	<u><u>379,757,494</u></u>

**(6) Pension Expense**

The calculation of collective pension expense for the year ended June 30, 2017 is presented in the following table:

Service cost	\$	262,626,490
Interest on the total pension liability		906,200,904
Member contributions		(213,060,827)
Projected earnings on plan investments		(533,227,021)
Pension plan administrative expense		7,670,827
Other custodial, professional and noninvestment expenses and contributions other than for the contribution effort		944,848
Recognition (amortization) of deferred outflows and inflows of resources:		
Difference between expected and actual experience		(19,976,682)
Difference between expected and actual earnings on pension investments		(50,038,177)
Change in assumptions		<u>160,595,572</u>
Total pension expense	\$	<u><u>521,735,934</u></u>