

NOTE: These minutes from the June 29, 2022 Benefits Committee meeting were approved at the August 30, 2022 Committee meeting

**Benefits Committee
Board of Trustees
June 29, 2022**

Public Minutes

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

As Committee members were participating electronically pursuant to RSA 100-A:14-a, all votes were by roll call pursuant to RSA 91-a.

Committee Members: Chair Chris Coates, Bill Hart, Don Roy, and Germano Martins (joining at 1:38PM). *Absent:* Andrew Martineau.

Staff present: Jan Goodwin, *Executive Director*; Nancy Miller, *Director of Member Services*; Marty Karlon, *Director of Communications & Legislative Affairs*, and Mark F. Cavanaugh, *Associate Counsel & Compliance Officer*.

Guests Present: Heidi Barry, *Gabriel, Roeder, Smith and Company*, and Casey Ahlbrandt, *Gabriel, Roeder, Smith and Company*

Having established a quorum, Chair Coates called the Benefits Committee meeting to order at 1:30 pm. Next, he called for a motion to accept the public minutes of the April 7, 2022, Committee meeting. On a motion by Trustee Roy, seconded by Trustee Hart, the Committee voted unanimously to approve the minutes, as amended by the Committee, with Trustee Hart abstaining.

Next, the Committee had an opportunity to review the recommendations of Gabriel, Roeder, Smith and Company, the NHRS consulting actuaries, with respect to the actuarial assumptions to be used to calculate the cost of certain service credit purchases permitted under RSA 100-A:4, IX as enacted by C. 171 (2022), effective August 6, 2022 (Senate bill 363). Attorney Cavanaugh explained briefly that the proposed assumptions are more conservative than the general assumptions used for other purposes such as the actuarial valuation, primarily to account for anti-selection and the risk that actual liabilities might, in some cases, exceed the liabilities anticipated at the time of the purchase. Ms. Barry, upon request from Trustee Hart, explained that the factor entitled “liability load” is essentially a risk premium. Director Goodwin then explained that the assumptions are consistent with the legislative mandate that the member pay the full actuarial cost; and, it had been explained to the legislature during consideration of the legislation that the cost would likely be significant to address those risks.

On a motion from Trustee Hart, seconded by Trustee Roy, the Committee voted unanimously to recommend to the full Board that it adopt the actuarial assumptions recommend by staff based on the advice of Gabriel, Roeder, Smith and Company.

On a motion from Trustee Hart, seconded by Trustee Roy, the Committee voted unanimously to temporarily adjourn the meeting to consult with counsel under RSA 91-A:2, I(b) regarding some ongoing disability re-examination cases. Trustee Martins joined the meeting at 1:39PM. Shortly thereafter, on a motion from Trustee Hart, seconded by Trustee Roy, the Committee voted unanimously to reconvene the meeting.

With no further business to be discussed, on a motion by Trustee Martins, seconded by Trustee Hart, the Committee voted unanimously to adjourn the meeting, *sine die*.

Respectfully submitted,

Mark F. Cavanaugh