Funding

NHRS benefits are funded by member contributions, employer contributions, and net investment income. Investment returns historically provide the majority of funding for pension benefits.

The New Hampshire Constitution (Article 36-a) protects trust fund assets for the exclusive purpose of providing benefits; requires Trustees to set actuarially sound employer contribution rates; and requires employers to pay those rates in full.

Trust Fund

The retirement system trust fund stood at $13.3 billion as of June 30, 2025.

On that date, NHRS was 71.6% funded and had an Unfunded Actuarial Accrued Liability ("unfunded liability") of $5.2 billion. The unfunded liability is the difference between the actuarial value of the retirement system's assets and the actuarial value of benefits already accrued.

The NHRS unfunded liability results from several factors, including legislative decisions made in the 1990s, investment losses in the 2008-09 great financial crisis, and the adoption of more conservative actuarial assumptions over the past decade.

Having an unfunded liability does not mean that a pension plan is unable to pay the benefits for which it is presently obligated or to meet its cash flow requirements.

Legislation enacted in 2018 requires the unfunded liability as of June 30, 2017, to be paid off by 2039. Biennial gains or losses from 2017 forward are separately amortized over fixed periods of no longer than 20 years.

Since 2013, the actuarial funded ratio has improved from 56.7% to 71.6%, an increase of close to 20%.

Contribution Rates

By statute, Group I (Employee & Teacher) members contribute 7% of their salaries to NHRS. Group II (Police & Fire) members contribute 11.55% and 11.80%, respectively. Group II members do not participate in Social Security.

While member rates are set by statute, employer rates are set by the Board every two years and are based on the results of biennial actuarial valuations.

Employer contributions are assessed at different rates for state employees, political subdivision employees, teachers, police, and fire.

HOW TO REACH US

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Follow NHRS on Facebook, LinkedIn, and YouTube

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Board of Trustees

NHRS has a unique status in state government. It is not a state agency under the executive branch; it is a component unit of the state governed by statute and overseen by a Board of Trustees. Trustees are fiduciaries bound by law to act solely in the interest of the members and beneficiaries of the pension plan.

NHRS 2026 FACT SHEET

A Quick Guide to the New Hampshire Retirement System for Members, Retirees, Employers, and Lawmakers

NHRS
New Hampshire Retirement System

NHRS at-a-glance

From the Executive Director

This brochure offers a snapshot of the New Hampshire Retirement System (NHRS, the retirement system), which was established in 1967 as a contributory, defined benefit plan. The plan provides lifetime pension benefits, as well as disability and death benefits. It also provides a post-retirement Medical Subsidy benefit to eligible beneficiaries.

Benefit formulas and eligibility requirements are set by state law (RSA 100-A). The retirement system is also governed by administrative rules, policies adopted by the NHRS Board of Trustees, and the Internal Revenue Code.

NHRS has a very important role in the economic well-being of New Hampshire's retired public employees, teachers, police officers, and firefighters. In the fiscal year ended June 30, 2025, NHRS had 48,542 members and 45,554 benefit recipients. It paid out over $1 billion in pension benefits.

Our mission is simple: "To provide secure retirement benefits and superior service."

All of us at NHRS are committed to the professional management and administration of pension benefits for the exclusive benefit of all our members and beneficiaries.

Jan Goodwin,
NHRS Executive Director

Membership

NHRS members are full-time state, county, and municipal employees, teachers, police officers, and firefighters. The membership consists of two groups: Group I (Employee & Teacher) and Group II (Police & Fire).

Active Members

As of June 30, 2025

Employee	24,892
Teacher	17,747
Police	4,031
Fire	1,872
Total	**48,542**

Note: There are also 3,536 members no longer working in NHRS-eligible positions who are "vested," meaning they have earned a future benefit, and 22,138 non-vested members no longer working in NHRS-eligible positions who have kept their accumulated contributions with NHRS.

Participating Employers

NHRS has 465 participating employers – the State of New Hampshire, counties, individual communities, school districts, and others.

Not every New Hampshire political subdivision participates in the retirement system for its employees, although most do. Participation is mandatory for police, fire, and teacher employers.

Retirees/Beneficiaries

As of June 30, 2025

Employee	22,182
Teacher	16,334
Police	4,984
Fire	2,054
Total	**45,554**

Average Annual Benefit

As of June 30, 2025

Employee	$15,814
Teacher	$23,939
Police	$40,912
Fire	$46,435
Total Average	**$22,854**

NHRS paid over $1 billion in pension benefits in fiscal year 2025. In addition to pensions, the retirement system paid $37.4 million in post-retirement Medical Subsidy benefits. With nearly 80% of retirees and beneficiaries living in New Hampshire, these benefit payments have a significant positive impact on the state's economy.

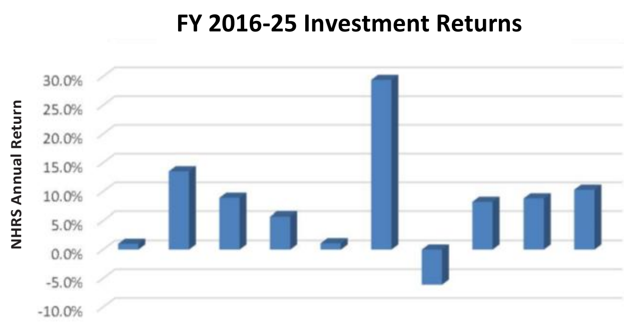
Investments

NHRS pursues a diversified investment strategy designed to meet its long-term funding requirements. The Board of Trustees, with research and input from the NHRS investment office, outside experts, and recommendations from the Independent Investment Committee, sets an investment policy that includes the fund's target asset allocation and the assumed rate of return. (Currently 6.75%)

The Investment Committee continuously monitors and evaluates trust fund investments and performance, in accordance with Board policies, and makes determinations regarding the hiring and retention of fund managers based on recommendations from the investment office.

The goal of the trust is to meet or exceed the retirement system's assumed rate of return of 6.75% over the long term, while at the same time managing the total portfolio's risk, return, and liquidity.

The three-year, five-year, 10-year, and 25-year net returns for the fiscal year-end period ended June 30, 2025, were 9.1%, 9.6%, 7.7%, and 6.6%, respectively.



LEARN MORE

Member/Retiree/Employer Information

Detailed information on NHRS benefits, news releases, forms, and answers to common questions for members, retirees, and employers may be viewed online at: https://www.nhrs.org

Financial/Investment Information

Annual Comprehensive Financial Reports, Summary Financial Reports, Comprehensive Annual Investment Reports, and Actuarial Valuations may be viewed online at: https://www.nhrs.org/funding-and-investments