



New Hampshire Retirement System
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TO: Senator Howard Pearl, Chair, Senate Executive Departments & Administration Committee
Representative Carol McGuire, Chair, House Executive Departments & Administration Committee

FROM: New Hampshire Retirement System Board of Trustees
(Prepared by Jan Goodwin, Executive Director)

RE: Quarterly Report to the General Court – July 1, 2024

Dear Senator Pearl and Representative McGuire:

Pursuant to RSA 100-A:14, VII-a, the Board of Trustees of the New Hampshire Retirement System (NHRS, the retirement system) is submitting this quarterly report to the General Court.

Here is a summary of NHRS activities during the quarter ending June 30, 2024:

- The Board in June voted to adopt revised actuarial assumptions based on the results of a four-year experience study conducted by its consulting actuary, Gabriel, Roeder, and Smith (GRS). In addition to adjustments to demographic assumptions – such as retirement and disability rates, withdrawals, merit and longevity salary increases, and mortality – the actuary recommended increasing the payroll growth assumption for by 0.25 percent to reflect price inflation growth over the past four years. For the first time more than 20 years, the actuary did not recommend reducing the assumed rate of investment return, which is currently 6.75 percent. Overall, the changes to actuarial assumptions approved this year are expected to slightly decrease fiscal year (FY) 2026-27 employer contribution rates from the current FY 2024-25 rates.
- Three bills related to RSA 100-A, the NHRS enabling statute, were passed by the House and Senate, and are awaiting action by the Governor. The bills are House Bill 1307, House Bill 1559, and House Bill 1647.
- For the first time in its 57-year history, NHRS will exceed \$1 billion in pension benefit payments this fiscal year. With close to 80 percent of NHRS' retirees and beneficiaries living in-state, most of these retirement benefits support local economic activity.
- NHRS held a series of listening sessions with participating employers in April and May to gather feedback and suggestions regarding the revised employer Data Reporting System (DRS), which went live in December.
- Trustees recognized Germano Martins, who stepped down from the Board concurrent with his retirement from the state Department of Health and Human Services. Martins served as a Trustee for three separate periods beginning in 2007.

In addition to this cover letter, the report contains:

- An executive summary of NHRS Board activity from April through June.
- The minutes of the April 9, 2024, Board meeting and draft minutes of the June 11, 2024, Board meeting.
- Quarterly Total Fund investment information through March 31, 2024, which is the most recent data available.
- Monthly investment information on marketable assets through April 30, 2024, which is the most recent data available.
- Quarterly Investment Compliance Notice provided to the Legislative Budget Assistant.

- June 11, 2024, news release on NHRS' retirement benefit payroll exceeding \$1B in FY 2024.
- June 12, 2024, news release on FY 2020-23 actuarial experience study.
- A tracker of NHRS-related legislation as of June 27, 2024.

If you have any questions or would like additional information, please do not hesitate to contact me.

Respectfully,

A handwritten signature in blue ink, appearing to read "J Goodwin", with a stylized flourish at the end.

Jan Goodwin
Executive Director

cc: Office of Governor Christopher Sununu

**Executive Summary of
New Hampshire Retirement System (NHRS)
Board of Trustees Meetings**

April 9, 2024, to June 11, 2024

At the April 9, 2024, regular monthly meeting of the NHRS Board of Trustees, the Board voted to issue an RFP for Independent Medical Examiner (IME) services due to a chronic shortage of individual physicians available to perform disability examinations, both physical and psychological.

Deputy Director and Chief Legal Counsel Timothy Crutchfield reported that briefs have been filed with the NH Supreme Court in an appeal by Keene School District (District) retirees of an NHRS administrative decision regarding earnable compensation. The case centers on early retirement incentive payments made to eight Keene teachers by the school district more than 120 days after termination of employment, which prevented the payments from being included in their pension benefit calculations.

At the June 11, 2024, regular monthly meeting, the Board heard from representatives of its consulting actuary, Gabriel, Roeder, Smith and Company (GRS), who reviewed the fiscal years (FY) 2020-2023 experience study and proposed revisions to the System's actuarial assumptions. Following a detailed presentation, the Board voted in a series of motions to adopt the GRS experience study, as well as the proposed updates to economic and demographic assumptions.

The Board met in non-public session for a discussion of potential office space options. The retirement system must decide in early 2025 whether to renew its current lease and staff and an ad hoc Board committee are currently conducting due diligence.

Director of Finance Marie Mullen updated the Board on the status of employer reporting in the new pension administration system, noting the improvement in timeliness of reporting by employers; she reported that only 21 out of 464 employers had not yet reported through May.

*Additional details regarding actions and discussions of the NHRS Board of Trustees may be found in the archive of meeting minutes posted on www.nhrs.org. The direct link to this page is:
<https://www.nhrs.org/about-nhrs/board-of-trustees/meeting-minutes>*

NHRS Board of Trustees

Minutes – April 9, 2024

Note: These minutes from the April 9, 2024, Public Session were approved and executed at the June 11, 2024, Board of Trustees meeting.

Board of Trustees

April 9, 2024

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, Germano Martins, Ken Merrifield, Monica Mezzapelle, Paul Provost, Joshua Quigley, and Don Roy.*

Staff: *Jan Goodwin, Executive Director; Timothy Crutchfield, Deputy Director and Chief Legal Counsel; Rosamond Cain, Director of Human Resources; Marty Karlon, Director of Communications & Legislative Affairs; John Laferriere, Director of IT; Raynald Leveque, Chief Investment Officer; Nancy Miller, Director of Member Services; Marie Mullen, Director of Finance; Mark Cavanaugh, Associate Counsel and Compliance Officer; Heather Hoffacker, Internal Auditor; Nina Calkins, Administrative and Contact Center Manager; Deanna Higgins, Contact Center Supervisor; Diana Crichton, Hearings Examiner; Jonathan Diaz, Investment Officer; Jesse Pasierb, Investment Operations Analyst; Mariel Holdredge, Executive Assistant.*

Chair Maureen Kelliher called the April 9, 2024, regular meeting of the NHRS Board of Trustees to order at 10:00 a.m.

A quorum was established and Chair Kelliher called for a vote to approve the minutes of the February 13, 2024, Board meeting. On a motion by Trustee Hannan, seconded by Trustee Maloney, the Board voted unanimously to approve the meeting minutes.

Trustee Mezzapelle provided the Audit Committee report, noting the Committee met this morning prior to the Board meeting. She stated the Committee reviewed the outstanding internal audit findings. Many findings have been addressed and all outstanding items on the Audit Tracker have either been resolved or have new estimated completion dates. As part of the FY 24 Audit Plan, there was one more audit completed and presented, which was the review of the PensionGold system permissions. The results of the audit revealed some need for adjustments which were made. This review by internal audit will be performed on an annual basis, with ongoing review of permissions by the IT Department. The Draft FY 24 Risk Assessment, which is used to prepare the draft Audit Plan for FY 25. The Committee plans to finalize and approve the FY 25 Audit Plan at the next Audit Committee meeting. Trustee Mezzapelle noted the Committee also received a brief update from Finance which continues to work on audit findings from both the external and internal auditors.

Trustee Roy provided the report of the Governance Committee, which met on March 28,

2024, with four members participating virtually, and discussed the annual reviews of the Voluntary Correction Program (VCP), and the fee schedule for copies. Attorney Cavanaugh confirmed the System's VCP compliance with IRS requirements for qualified plans and noted that revisions to the Policy were not recommended at this time by Groom Law, the System's external counsel for fiduciary and tax matters. The Legal staff then presented the annual review of the fee schedule for copies of NHRS public records, authorized under the NHRS administrative rule and compared with the costs charged by other NH public agencies. Staff concluded that fees remain reasonable, and no fee adjustments were recommended for the coming year. Staff proposed transitioning the fee schedule review to a biennial basis due to most record requests responses involving no-cost electronic document transmission, which was agreed to by the Committee.

Trustee Provost gave his report on the February 13, 2024, Independent Investment Committee (IIC, Committee) meeting, with four of the five members participating with one vacant position. The Committee heard from Chief Investment Officer Raynald Leveque, who provided an update on investment returns, holdings, and reported overall updates on the team's investment activities and work plan. The Committee then received an investment recommendation from investment staff and investment consultant, Callan, to invest \$50 million in the HIG Advantage private equity fund and \$50 million into the HIG Advantage co-investment fund, which the Committee unanimously endorsed, subject to contract and legal review. The Committee also heard from Callan representatives, who outlined the Calendar Year (CY) 24 Pacing Plan for Private Equity and Private Credit asset classes, and from Abel Noser, who provided an overview of trading cost analysis services for the System. Trustee Provost concluded his report by announcing Christine Clinton, an appointed member of the Committee, was nominated for, and unanimously elected as, Chair of the IIC, effective February 13, 2024.

Trustee Provost turned to Mr. Leveque who reported on the NHRS performance as of February 29, 2024. Mr. Leveque remarked on the long-term performance of the Total Fund for 3, 5, and 10 years, noting it continues to do well relative to the policy benchmark. He provided a calendar year-to-date overview of the System's portfolio performance, highlighting the positive returns in fixed income, real estate, private debt, and private equity. The Plan is currently at \$12 billion. A brief discussion ensued on the nature of portfolio managers' valuation reporting. Mr. Leveque provided an overview of NHRS' proxy voting vendor's recommendations, and proposed revisions to the NHRS Proxy Voting Policy around Social and Environmental Issues. On a motion by Trustee Henry, seconded by Trustee Roy, the Board voted unanimously to accept the proposed revisions to the Proxy Voting Policy, conditioned on the IIC's review and recommendation at its meeting immediately following the Board meeting.

Trustee Merrifield reported on the Legislative Committee, which has not met since the last Board meeting. He updated the Board that crossover, which is the deadline for the House and the Senate to act on bills that have originated in their respective chambers, begins on April 11. He provided a high-level summary of 2024 legislation, noting those bills relative to the System, including House Bill (HB) 1279, HB 1451, HB 436, and Senate Bill (SB) 309 and SB 134. A brief discussion followed on SB 309 which would reduce vesting from ten years to five years and the intended purpose of the bill.

Trustee Martins delivered an update of the Benefits Committee, noting it met twice since the last Board meeting, on March 5, 2024, and April 2, 2024. At its March meeting, the Committee reviewed and approved three disability applications on the Consent Agenda. The Committee heard from legal staff on a member's waiver request on a minimum participation

requirement to receive service credit due to an admitted error by her employer. The Committee unanimously voted to recommend that the Board approve the waiver request on the condition that the employer agree to pay the final calculation cost of the reporting error from GRS. Legal staff also presented a proposed draft of an RFP for Independent Medical Evaluations (IME) services due to a chronic shortage of individual physicians available to perform IMEs. The Committee voted unanimously to recommend the RFP to the Board.

At its meeting last week, the Committee reviewed and approved three more disability applications. It also revisited the waiver request regarding the minimum participation standards because NHRS had received a final calculation from GRS on the cost of the reporting error as \$94,234.00 and written confirmation from the employer that it will pay that cost. As a result, the Committee voted unanimously, without condition, to recommend to the Board that it grant the rule waiver as requested.

Chair Kelliher entertained a motion to accept the recommendation of the Benefits Committee to authorize staff to issue an RFP for IME services in substantially the same form as presented. Trustee Quigley motioned, seconded by Trustee Hannan. Prior to the Board voting, there was a brief discussion clarifying the classification of exams. Following the discussion the Board voted unanimously to accept the recommendation to authorize staff to issue an RFP for IME services. The Board proceeded to vote on the rule waiver request. Trustee Merrifield moved to accept the recommendation of the Benefits Committee, which was seconded by Trustee Mezzapelle, and approved unanimously.

Trustee Hannan gave the PPCC report, which met virtually on March 21, noting the Committee heard a staffing update from Rosamond Cain, Director of Human Resources (HR). HR is currently recruiting for employer specialists. The finance analyst started mid-March, and HR is working with IT to make some changes to certain job descriptions. The results of the Executive Director Annual Evaluation Survey were reviewed at the recent Committee meeting and Trustee Hannan asked to enter into non-public session to share those results with the Board.

On a motion by Trustee Henry, seconded by Trustee Martins, the Board voted unanimously to enter into a non-public session.

On a motion by Trustee Maloney, seconded by Trustee Henry, the Board voted unanimously to conclude the non-public session. No action was taken in the non-public session.

Chair Kelliher turned to Ms. Goodwin, who delivered an overview of the draft Statement of Beliefs and Guiding Principles (Statement) for the Board's consideration, emphasizing that most of the principles were either implicitly or explicitly adopted by NHRS as standard operating procedures. However, she did note that five statements in the Plan Design section of the Statement represented departures from past practice and not all ETeam members were in agreement. Therefore, she hoped the Statement would encourage an open discussion among the Trustees. A number of Board members expressed concern with changing some of the Board's longstanding positions on certain issues. Chair Kelliher then tasked the Governance Committee with reviewing the document and presenting its recommendations to the Board in the near future.

Executive Director Goodwin began her operating report by reporting the Key Performance Measures (KPMs) monthly scores for February and March, which were 98.44% and 98.39%, respectively. She proceeded to provide an update on PGV3, noting the project is 89% completed and is now in the fifth month of the 12-month warranty period. Ms. Goodwin

reviewed the 12-month KPM rolling average, which is 98%, above the 95% benchmark. She then reported that all of the Executive Director (ED) KPMs were achieved in February and March and provided an update on her monthly calls to members, employers, and retirees, commenting on the continued positive feedback she receives. She reported that the ETeam continues its work on the annual Five-Year Strategic Plan and provided an update on current progress. She concluded by noting staff expects to bring the Plan to the Board for action at its June meeting.

Director of Information Technology (IT) John Laferriere presented the IT operating report, noting that IT continues to conduct monthly phishing tests and completed the deployment of the System's web application protection services for all internet-facing web applications. He reported that IT has met its eight KPMs and introduced 86 changes into the production environment over the last two months, 64 of which were PGM3 changes. Phase I of the document management system project has been completed. Mr. Laferriere concluded by providing updates on ongoing projects including the laptop refresh, the complete shutdown of the colocation backup center, and finalization of the cloud migration plan.

Mr. Leveque presented his Investment operating report, noting Trustee Provost's earlier report on the February IIC meeting and his earlier report on the plan's performance highlights for February. January's performance was emailed to Trustees, along with a summary of the macroeconomic environment. Seven of the ten KPMs were achieved and three were not applicable. Mr. Leveque concluded his presentation by highlighting the Investment Team's achievements, including their collaboration with a third-party consultant to review the draft Investment Office Strategic Plan developed by the team.

Director of Member Services Nancy Miller updated the Board on the latest activity in her department. The retirement application filing window for July 1 opened April 2, and 550 – 700 teachers are expected to file before the June 1 deadline. The issuance of the \$500 TSA (temporary supplemental allowance) to all qualifying retirees and beneficiaries is another focus of the department. Ms. Miller closed with a summary of upcoming plans and projects and noted the progress continues on action plan items.

Director of Finance Marie Mullen gave her Finance report, beginning with status updates on PGM3 deliverables, highlighting several significant developments and priority issues. These included a review of position descriptions and needs due to the PGM3 implementation and audits, resulting in the establishment of a Financial Analyst position and restructuring of the Employer Reporting Specialist positions. Ms. Mullen discussed focusing on improved customer service for employers, resolving software issues, and planned enhancements. She reviewed current month highlights, KPM statuses for the past two months, and the System's below budget spending for the first eight months of FY 24. Her report concluded with upcoming plans and projects and progress on action items.

Director of Human Resources (HR) Rosamond Cain opened her report with updates on recruiting and current projects. Efforts are underway to update position descriptions to better meet department needs. Additionally, the ETeam is leading a communication project. HR has obtained results from the Employee Engagement Survey, and plans for the first all-staff training since the pandemic are scheduled for April 15 and 17. She concluded by reporting that all action plan items are either completed or in process.

At this juncture, a Trustee suggested that space options be on the June 2024 Board meeting agenda. Trustee Maloney then excused himself from the meeting and was subsequently absent for the remainder of the session.

Deputy Director and Chief Legal Counsel Timothy Crutchfield gave his Legal report, beginning with the significant development with the filing of briefs with the NH Supreme Court in the Keene School District compensation matter and the anticipation of a possible oral argument. He reviewed the achievement of seven out of eight KPMs for the last two months, and the possibility of revising the eighth KPM regarding the number of completed employer audits on a 12-month rolling basis, as it is, and will remain, unattainable, in the current V3 transition. Mr. Crutchfield concluded his report with upcoming plans and projects and progress on action items.

Mr. Karlon provided his report on Legislative Affairs and Communications, noting his department's work on educational materials and seminars. Due to the transition to PGM3, the Communications team has been heavily involved in the development of employer training materials and programs. This trend will continue into FY 25 with the introduction of the new version of MyAccount. Mr. Karlon closed by noting the upcoming projects such as the legislative implementations from last year.

There were no travel reports or requests.

Ms. Goodwin provided an update on Action Items from the February 13, 2024, Board meeting, commenting that all five items have been completed.

During the Board Checkpoint Discussion, Chair Kelliher announced she will be on the PPCC Committee. She also informed the Board that she is in the process of reviewing Committee appointments to fill remaining openings and expects to finalize appointments as soon as possible but that is impacted by the open Trustee position.

With no further business to discuss, on a motion by Trustee Roy, seconded by Trustee Henry, the Board voted unanimously to adjourn the meeting at 11:40 a.m.

Respectfully submitted,

Mariel Holdrege,
Executive Assistant

NHRS Board of Trustees

DRAFT Minutes – June 11, 2024

Note: These **draft** minutes from the June 11, 2024, Public Session are subject for approval at a subsequent Board of Trustees meeting.

**Board of Trustees
June 11, 2024**

DRAFT 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, Germano Martins, Ken Merrifield, Monica Mezzapelle, Paul Provost, Joshua Quigley, and Don Roy.*

* Participating remotely. Because some Trustees were participating remotely, all votes were by roll call.

Staff: *Jan Goodwin, Executive Director; Timothy Crutchfield, Deputy Director and Chief Legal Counsel; Rosamond Cain, Director of Human Resources; Marty Karlon, Director of Communications & Legislative Affairs; John Laferriere, Director of IT; Raynald Leveque, Chief Investment Officer; Nancy Miller, Director of Member Services; Marie Mullen, Director of Finance; Mark Cavanaugh, Associate Counsel and Compliance Officer; Heather Hoffacker, Internal Auditor; Nina Calkins, Administrative and Contact Center Manager; Deanna Higgins, Contact Center Supervisor; Diana Crichton, Hearings Examiner; Jonathan Diaz, Investment Officer; Jesse Pasierb, Investment Operations Analyst; Mariel Holdredge, Executive Assistant.*

Guests: *Denis Dancoes, Thomas Farrelly, and Dillon Carlyle: Cushman & Wakefield; Heidi Barry and Jeff Tebeau: GRS; Anthony Frammartino, Tony Pietro, Joe Davenport, and Christian Nye: The Townsend Group.*

Chair Maureen Kelliher called the June 11, 2024, regular meeting of the NHRS Board of Trustees to order at 9:15 a.m.

A quorum was established and Chair Kelliher called for a vote to approve the minutes of the April 9, 2024, Board meeting. On a motion by Trustee Quigley, seconded by Trustee Roy, the Board voted unanimously to approve the meeting minutes, with Trustee Maloney not present.

Trustee Mezzapelle provided the Audit Committee report, noting the Committee met this morning prior to the Board meeting. The Committee heard a presentation from the System's external auditor, Plante Moran, on its approach to the Fiscal Year (FY) 24 Audit and encouraged the Committee to bring forward any concerns. The Committee then reviewed the status of the Audit Tracker, the FY 24 Risk Assessments, and the FY 25 Internal Audit Plan. Trustee Mezzapelle reported on updates the Committee heard from Internal Audit and Finance.

Trustee Roy provided the report of the Governance Committee, which met on May 16, and June 4, to review the first two sections of the Statement of Beliefs as part of its preparation to bring a recommendation to the Board.

Trustee Provost gave his report on the April 9, 2024, Independent Investment Committee (IIC, Committee) meeting, with four of the five members participating with one vacant position. He reported that the Committee heard from Chief Investment Officer Raynald Leveque, who provided an update on investment returns, holdings, and reported on the team's investment activities and work plan. The Committee then heard a presentation from Brookfield Asset Management on infrastructure investing.

Trustee Provost turned to Mr. Leveque who reported on the NHRS performance as of April 30, 2024. Mr. Leveque remarked on the long-term performance of the Total Fund for 3, 5, and 10 years, noting it continues to do well relative to the policy benchmark. He provided a calendar year-to-date overview of the System's portfolio performance, highlighting the positive returns in fixed income, real estate, private debt, and private equity. As of April 30, 2024, the Plan's assets total \$11.8 billion.

Trustee Merrifield reported on the Legislative Committee, which had not met since the last Board meeting. He updated the Board that there were three NHRS-related bills that will be sent to the Governor: HB 1307, HB 1559, and HB 1647. He provided a high-level summary of those bills.

Trustee Martins delivered an update of the Benefits Committee, noting it met twice since the last Board meeting, on May 7, and June 4, and approved four disability applications at each meeting.

In addition, the Committee reviewed a Gainful Occupation Offset Waiver Request with a recommendation on today's Consent Agenda that the reduction for excess earnings not be made at this time.

Trustee Hannan gave the PPCC report, which met virtually on May 17, and May 24. Trustee Hannan asked to enter into non-public session to discuss employee compensation under RSA 91-A:3, II(a).

On a motion by Trustee Henry, seconded by Trustee Mezzapelle, the Board voted unanimously to enter into a non-public session.

On a motion by Trustee Henry, seconded by Trustee Quigley, the Board voted unanimously to conclude the non-public session. No action was taken in the non-public session.

Trustee Quigley, the Ad hoc Real Estate Committee Chair, reported the Committee met on May 15 and June 3 to tour and discuss office space options.

On a motion by Trustee Quigley, seconded by Trustee Roy, the Board voted unanimously to enter into a non-public session to discuss the possible lease or acquisition of real property under RSA 91-A:3, II(d).

On a motion by Trustee Hannan, seconded by Trustee Roy, the Board voted unanimously to conclude the non-public session.

On a motion by Trustee Hannan, seconded by Trustee Roy, the Board voted unanimously to seal the minutes of the non-public session.

Trustee Maloney then excused himself from the meeting and was subsequently absent for the remainder of the session.

Chair Kelliher turned to Ms. Goodwin, who introduced Heidi Barry and Jeffrey Tebeau of Gabriel, Roeder, Smith & Company to review the fiscal years 2020-2023 experience study and proposed revisions to the System's actuarial assumptions.

Following the review, on a motion by Trustee Merrifield and seconded by Trustee Mezzapelle, the Board unanimously voted to adopt the GRS Experience Study for the period July 1, 2019, through June 30, 2023.

On a motion by Trustee Quigley and seconded by Trustee Henry, the Board unanimously voted to adopt the proposed demographic assumptions as set forth in the GRS Experience Study.

Next, Trustee Merrifield proposed a motion, seconded by Trustee Provost, that the Board adopt the proposed economic assumptions as set forth in the GRS Experience Study, and referred to as Alternative 1 in the Board materials: Wage Inflation Assumption of 3.00% for Employees, Police, and Fire, and, as amended, 2.50% for Teachers; Price Inflation Assumption of 2.25%; and Assumed Rate of Return (ARR) assumption of 6.75%. The ARR was unchanged from the current assumption. The Board voted unanimously to adopt the new economic assumptions.

Executive Director Goodwin gave her executive report, including these highlights. Key performance measure (KPM) scores for April and May were 95.65% and 95.52%, respectively. The PGV3 project is at 89% completion, at the mid-point of the warranty period fewer new bugs are being discovered. In addition, staff is working on the rollout of the enhanced *My Account*. She also reported on member satisfaction surveys, which continue to report that members are pleased with customer service.

Next, Executive Director Goodwin presented NHRS' FY 25 Three-Year Strategic Plan. She noted that the ETeam has worked closely with Funston Advisory Services to develop a new format for NHRS' Strategic Plan. The Strategic Plan focuses on four goals: build on the new pension administration IT platform and implement a longer-term retirement operations strategy and plan; improve organizational effectiveness and accountability; build additional Investment Office capabilities to reduce costs and reliance on external resources while improving performance; and build organizational resilience.

On a motion by Trustee Hannan and seconded by Trustee Roy, the Board voted unanimously to accept the FY 25 Three-Year Strategic Plan.

Mr. Leveque began his Investment operating report, noting Trustee Provost's earlier report on the April IIC meeting and his earlier report on the plan's performance highlights for April. March's investment performance was emailed to Trustees, along with a summary of what happened in the market. Five of the 10 KPMs were achieved, one KPM not achieved, and one KPM was not applicable. Mr. Leveque wrapped up his presentation by highlighting the Investment Team's achievements, including their collaboration with a third-party consultant to draft a five-year strategic plan, to be presented to the Board at the August Board meeting.

Director of Member Services Nancy Miller updated the Board on some of the activities in her department. The retirement application filing window for July 1 closed on June 1 and the

department is now focused on processing nearly 600 applications, which is down from recent years. Ms. Miller provided an overview of ongoing and upcoming PGV3 projects that include the teacher salary contract project slated to start at the end of June, front-end imaging work, training materials for employer reporting, and the design of a Member Services dashboard. Ms. Miller closed by noting that recruiting was ongoing for open positions and that progress continues on action plan items and KPMs.

Director of Finance Marie Mullen updated the Board on the status of Employer Reporting for PGV3, noting the improvement in timeliness of reporting by employers with only 21 out of 464 that had not reported through May. She also provided an update on the Employer Listening sessions noting the outcomes from the sessions to include additional reporting, training materials, and automation of posting reports. She noted that Trust Fund and Administrative operating expenses and PGV3 project were within budget.

Director Mullen next presented the FY 25 Trust Fund Budget noting the areas of the budget with increases, which were primarily related to an increase in Investment Management fees due to the higher beginning balances for assets. She also noted that, pending the review and approval of the Investment Strategic Plan by the IIC and the Board, there would be a proposed revision to the Trust Fund Budget at the August meeting. On a motion by Trustee Hannan and seconded by Trustee Roy, the Board voted unanimously to approve FY 25 Trust Fund Budget.

Director of Human Resources (HR) Rosamond Cain opened her report with updates on recruiting and current projects. NHRS has formed a task force on communication with volunteers from staff; this task force is charged with enhancing our internal organizational communication and strengthening our culture. She reported that NHRS is currently recruiting for two positions and two positions have been reassessed. She noted that Korn Ferry was selected to conduct an organization wide salary survey. She concluded by reporting that all action plan items are either completed or in process.

Deputy Director and Chief Legal Counsel Timothy Crutchfield gave his Legal report, noting that only four responses from the RFP for IME services had been received by the deadline last Friday. He also provided a summary of oral argument presented on May 29th at the Supreme Court in the Keene School District compensation matter. He noted that Legal had achieved all eight of its KPMs for May. Mr. Crutchfield concluded his report with a review of the pending administrative and disability appeals and progress on action items.

Mr. Karlon provided his report on Legislative Affairs and communications, noting while the 2024 legislative session is almost over, the internal implementation work is only getting started and if the governor signs all three pending bills, there will be a significant amount printed and online material to update, not to mention communicating the changes to stakeholders and implementing changes to PensionGold. He also reported that the communications team continues to work closely with multiple business units to roll out a promotional campaign in mid-July to encourage more members to sign up for *My Account* 2.0. He noted that his team had achieved all of its KPMs for April and May.

Director of Information Technology (IT) John Laferriere opened his report indicating no significant security issues have been identified since the last board meeting. Mr. Laferriere also stated that there have been no significant security breaches or problems during the technology infrastructure refresh of all major IT systems. Mr. Laferriere also noted the major IT projects of network, desktop, internet access, and firewall upgrades have been completed, and IT can now support business-driven projects. Additionally, Mr. Laferriere indicated eighty-six change requests were approved and deployed into the production environment and

a Cloud engineering consultant has temporarily joined the IT team to ensure the PG production suite is migrated to the Cloud. Finally, Mr. Laferriere presented a graph that the change in focus from bugs and defects to a more normal operations state focused on enhancements and change requests.

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

There were no travel reports and two Board members requested to attend the CAPPP program.

Ms. Goodwin provided an update on Action Items from the April 9, 2024, Board meeting, commenting that four of the six issues have been completed and the other two were completed during this meeting.

During the Board Checkpoint Discussion, Chair Kelliher announced the retirement of Trustee Martins, who has represented state employees on the Board for three separate stints beginning in 2007.

She also informed the Board that she appointed Trustee Frederick to succeed Trustee Martins as the Benefits Committee chair.

With no further business to discuss, on a motion by Trustee Henry, seconded by Trustee Martins, the Board voted unanimously to adjourn the meeting at 12:45 p.m.

Respectfully submitted,

Mariel Holdrege,
Executive Assistant

March 31, 2024

New Hampshire Retirement System

Quarterly Investment Highlights

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2024. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2024							
	Market Value \$(Dollars)	Ending Weight	Last Quarter	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years
Net of Fees							
Domestic Equity	\$4,070,164,959	33.42%	8.91%	17.45%	25.45%	8.36%	12.75%
US Equity Benchmark	-	-	10.02%	19.29%	29.29%	9.88%	14.05%
Non US Equity	\$2,316,779,263	19.02%	6.01%	11.55%	15.99%	3.19%	6.45%
Non US Equity Benchmark	-	-	4.69%	10.56%	13.26%	1.94%	5.97%
Fixed Income	\$2,335,505,005	19.17%	(0.54%)	3.54%	3.15%	(1.50%)	1.68%
Fixed Income Benchmark	-	-	(0.47%)	3.28%	2.67%	(2.11%)	0.69%
Cash	\$41,919,689	0.34%	1.33%	4.13%	5.40%	2.70%	2.11%
3-month Treasury Bill	-	-	1.29%	4.03%	5.24%	2.58%	2.02%
Real Estate **	\$1,187,800,040	9.75%	(2.91%)	(4.76%)	(9.60%)	8.44%	7.34%
Real Estate Benchmark **	-	-	(5.00%)	(9.68%)	(12.73%)	4.01%	3.34%
Alternative Assets **	\$2,227,807,754	18.29%	0.96%	2.39%	5.94%	12.64%	11.29%
Alternatives Benchmark **	-	-	10.14%	16.29%	23.56%	10.02%	13.37%
Total Fund	\$12,179,976,711	100.00%	3.72%	8.14%	11.04%	6.11%	8.33%
Total Fund Benchmark*	-	-	4.78%	10.14%	13.94%	5.09%	8.35%

* Current Total Fund Benchmark = 30.0% Russell 3000 Index, 25.0% Blmbg:Universal, 20.0% MSCI ACWI ex US, 10.0% NCREIF NFI-ODCE Val Wt Nt lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Blmbg HY Corp lagged 3 months +1.0% and 2.5% S&P/LSTA Lev Loan 100 lagged 3 months+1.0%.

** Performance for the Total Real Estate and Total Alternative Assets composites and their respective benchmarks are lagged one quarter.

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Unless Callan has been specifically engaged to do so, Callan does not conduct background checks or in-depth due diligence of the operations of any investment manager search candidate or investment vehicle, as may be typically performed in an operational due diligence evaluation assignment and in no event does Callan conduct due diligence beyond what is described in its report to the client.

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Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.

Total Plan Performance as of April 30, 2024

The table below details the rates of return for the fund's asset classes over various time periods ended April 30, 2024. Negative manager excess returns are shown in red, positive excess returns in green. Returns for one year or greater are annualized.

Net of Fees Returns for Periods Ended April 30, 2024									
Composite	Total Fund Weighting As of 4/30/2024	Last Month	Last 3 Months	FYTD	CYTD	LTM	3-YR	5-YR	10-YR
Total Domestic Equity	32.71%	-4.82%	3.70%	11.78%	3.65%	18.86%	4.90%	10.80%	10.48%
Domestic Equity Benchmark(1)		-4.40%	4.03%	14.04%	5.18%	22.30%	6.39%	12.13%	11.90%
Excess Return		-0.42%	-0.32%	-2.26%	-1.52%	-3.44%	-1.49%	-1.34%	-1.41%
Total Non US Equity	18.98%	-3.00%	2.69%	8.20%	2.83%	10.32%	1.10%	5.22%	4.61%
Non US Equity Benchmark(2)		-1.80%	3.84%	8.58%	2.81%	9.32%	0.35%	5.03%	3.93%
Excess Return		-1.21%	-1.15%	-0.38%	0.02%	0.99%	0.75%	0.19%	0.69%
Total Fixed Income	19.25%	-2.36%	-2.58%	1.10%	-2.89%	0.21%	-2.62%	1.12%	1.86%
Bloomberg Capital Universe Bond Index		-2.34%	-2.56%	0.86%	-2.79%	-0.34%	-3.15%	0.18%	1.51%
Excess Return		-0.02%	-0.02%	0.23%	-0.09%	0.55%	0.53%	0.94%	0.35%
Total Cash	0.26%	0.43%	1.31%	4.58%	1.77%	5.46%	2.84%	2.16%	1.51%
3-Month Treasury Bill		0.43%	1.29%	4.47%	1.73%	5.36%	2.73%	2.07%	1.42%
Excess Return		0.00%	0.01%	0.10%	0.04%	0.10%	0.12%	0.09%	0.09%
Total Real Estate (Q4)*	9.79%	-1.30%	-3.98%	-6.00%	-4.17%	-11.12%	7.54%	7.01%	9.35%
Real Estate Benchmark(3)		-0.87%	-4.20%	-10.46%	-5.82%	-12.49%	3.50%	3.08%	6.28%
Excess Return		-0.43%	0.22%	4.46%	1.65%	1.37%	4.04%	3.93%	3.08%
Total Private Equity (Q4)*	14.20%	0.85%	1.81%	3.14%	1.79%	6.95%	14.67%	14.02%	11.81%
Private Equity Benchmark(4)		1.25%	16.74%	20.62%	13.90%	21.37%	13.26%	17.16%	15.97%
Excess Return		-0.40%	-14.93%	-17.48%	-12.12%	-14.42%	1.41%	-3.15%	-4.15%
Total Private Debt (Q4)*	4.81%	0.25%	1.32%	3.01%	1.31%	5.07%	7.72%	5.74%	6.35%
Private Debt Benchmark(5)		0.24%	6.20%	10.79%	5.67%	10.87%	4.49%	4.83%	6.01%
Excess Return		0.01%	-4.88%	-7.78%	-4.36%	-5.80%	3.22%	0.91%	0.34%
Total Fund Composite	100.00%	-2.63%	1.07%	5.30%	0.99%	7.39%	4.28%	7.39%	7.13%
Total Fund Benchmark(6)		-2.21%	2.84%	7.71%	2.47%	9.69%	3.47%	7.34%	7.32%
Excess Return		-0.42%	-1.77%	-2.41%	-1.47%	-2.30%	0.80%	0.05%	-0.19%

(1) The Domestic Equity Benchmark is the Russell 3000 Index as of 7/1/2021.

(2) The Non US Equity Index is the MSCI ACWI ex US Index as of 7/1/2003. Prior to 7/1/2003 it was the MSCI EAFE Index.

(3) The Real Estate Benchmark is the NCREIF NFI-ODCE Value Weight Net Index lagged 1 quarter as of 7/1/2015.

(4) The Private Equity Benchmark is the Russell 3000 Index + 2% lagged 1 quarter as of 7/1/2022.

(5) The Private Debt Benchmark is (50% MStar LSTA Leveraged Loan 100 Ldx + 50% Bloomberg High Yield Index) + 1% lagged 1 quarter as of 7/1/2022.

(6) Current Month Target = 30.0% Russell 3000 Index, 25.0% Bloomberg Universal, 20.0% MSCI ACWI ex-US, 10.0% NCREIF NFI-ODCE Value Weight Net lagged 3 months, 10.0% Russell 3000 Index lagged 3 months+2.0%, 2.5% Bloomberg High Yield Corp lagged 3 months+1.0% and 2.5% MStar LSTA Lev Loan 100 lagged 3 months +1.0%.

(7) For the trailing 25 year period ended 4/30/24, the Total Fund has returned 6.39% versus the Total Fund Custom Benchmark return of 6.39%.

*Real Estate and Alternatives market values reflect current custodian valuations, which are typically lagged approximately 1 quarter.

FYTD Fiscal Year to Date
CYTD Calendar Year to Date
LTM Last Twelve Months



New Hampshire Retirement System
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July 1, 2024

TO: Michael W. Kane, Legislative Budget Assistant

CC: Governor Christopher, T. Sununu
Rep. Carol McGuire, Chairman, House Executive Departments and Administration
Sen. Howard Pearl, Chairman, Senate Executive Departments and Administration

FROM: New Hampshire Retirement System Board of Trustees and Independent Investment Committee
(Prepared by Jan Goodwin, NHRS Executive Director, and Raynald Leveque, NHRS Chief Investment Officer)

RE: Quarterly Compliance Notice

Dear Mr. Kane:

Pursuant to RSA 100-A:15, VIII(a), we are writing to confirm that New Hampshire Retirement System is in compliance with its duty to make all investment decisions solely in the interest of its participants and beneficiaries and does not have investments in any funds that may have mixed, rather than sole, interest investment motivations.

NHRS pursues an investment strategy designed to achieve its long-term funding requirements. The goal is to meet or exceed the retirement system's assumed rate of return over the long term, while at the same time managing the risk, return, and liquidity of the portfolio.

Respectfully,

Jan Goodwin
Executive Director

Raynald Leveque
Chief Investment Officer



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For Immediate Release: June 11, 2024

Contact: Marty Karlon, Director of Communications and Legislative Affairs, (603) 410-3594;
public_relations@nhrs.org

NHRS Exceeds \$1 Billion in Annual Pension Payments in FY 2024

Defined benefit plan provides secure retirement benefits, helps support NH economy

CONCORD, NH – For the first time in its 57-year history, the New Hampshire Retirement System (NHRS, the retirement system) will exceed \$1 billion in pension benefit payments this fiscal year.

With close to 80 percent of NHRS' retirees and beneficiaries living in the Granite State, most of these retirement benefits support local economic activity.

"It's a milestone for NHRS and for our members and retirees," said Executive Director Jan Goodwin. "For more than 50 years, these members – many of them our friends, neighbors, and even family members – have served their local communities or the state, educating our children, providing services to residents, and keeping us all safe. NHRS is proud to administer their benefits."

When the June pension benefit payments are issued at the end of the month, NHRS will have paid more than \$1 billion in retirement benefits to approximately 45,000 retirees and beneficiaries in fiscal year (FY) 2024. The exact numbers won't be available until later this year, following the completion of annual audits. In FY 2023, the retirement system paid \$971.1 million in pension benefits to 43,603 retirees or their beneficiaries.

NHRS pension benefits are funded by member contributions, employer contributions, and investment income. Investment returns historically provide the majority of trust fund assets. The fund was valued at \$11.51 billion as of the end of FY 2023 and stood at \$12.2 billion as of March 31, 2024. Ten years ago, NHRS' net assets were \$7.3 billion. Over the past decade, NHRS investments have achieved an average annual return of 7.9 percent.

"It's rewarding to mark this milestone," said Maureen Kelliher, who has been on the Board of Trustees for 10 years and currently serves as Chair. "I am grateful for the continued judicious work of our current Trustees and for the efforts of past Trustees, whose stewardship helped bring us to this point."

Economic Impact

“With four out of five retirees still living in New Hampshire, they, in turn, continue to contribute to the state’s economic health,” said Goodwin.

Every pension dollar distributed in the Granite State generated \$1.70 in local economic output, according to the Pensionomics 2023 report issued by the National Institute on Retirement Security (NIRS). The report, which analyzed 2020 data, estimated that monies coming from all state and local pensions paid to New Hampshire residents supported \$1.4 billion in total economic output. NHRS is by far the largest defined benefit plan in the state, although some cities have separate plans for some of their employees.

Studies examining the economic impact of defined benefit pension plans have shown how these benefits generate economic activity at various levels:

- **Direct Impact:** When pensioners spend their money, it directly stimulates local businesses. For instance, a retiree dining at a neighborhood restaurant contributes to its revenue.
- **Indirect Impact:** The restaurant, in turn, uses this income to replenish supplies, indirectly benefiting suppliers and distributors.
- **Induced Impact:** Employees of the restaurant, paid from the same revenue, use their earnings to buy groceries or other goods, further circulating money within the community.
- **Societal Impact:** The steady and guaranteed pension income received by retirees ensures continued spending, even during economic downturns, and allows many retirees to do volunteer work.

Most NHRS retirees receive a modest pension; approximately 60 percent of NHRS benefit recipients receive an annual benefit of less than \$25,000 and more than 90 percent receive a benefit under \$50,000. Members of NHRS are full-time state, county, and municipal employees, teachers, police officers, and firefighters. The membership consists of two groups: Group I (Employee and Teacher) and Group II (Police and Fire). In FY 2023, the average annual pension across all groups was \$22,218. Looking back a decade, as of June 30, 2014, the average annual benefit was \$19,407.

AVERAGE PENSION BENEFIT BY GROUP

	FY 2023	FY 2014
Employee	\$15,324	\$12,932
Teacher	\$23,441	\$21,401
Police*	\$39,818	\$35,154
Fire*	\$44,968	\$36,562

** Police and Fire members do not participate in Social Security*

“My NHRS pension is two-thirds of my income as a retired senior,” said Nancy Andrews, a former teacher and principal who worked in Hampton, Bedford, and Portsmouth. “I combine this pension with Social Security and a little savings to make it possible to continue to own my home and pay living expenses. Each year the cost of my medical insurance has increased and as a result my pension is less. I do not have ‘extra money’ beyond my basic expenses to live and maintain my home and my health.”

“I am grateful that my 40-plus years of contributing to the NHRS have made it possible for me to have a monthly pension so that I can manage to live independently in my home,” Andrews said. “I am hopeful that the NHRS will stay strong. I count on my NHRS pension as a major part of my retirement income.”

Promoting retirement security

Unlike a 401(k)-type benefit, which relies solely on investment performance, a defined benefit plan like NHRS provides guaranteed lifetime benefits. Many retirees appreciate the security provided by a pension.

Kate McGovern, who is a retired professor from the NH Bureau of Education & Training, said, “.... I have particular appreciation for my NHRS pension because I also had the privilege of serving on the NHRS Board and previously on staff at NHRS. I understand how the defined benefit pension provides retirement security that is unfortunately lacking for those reliant on 401(k) type defined contribution plan. With the security of my pension, I have had the time to write two books on Lean process improvement while teaching part-time at College Unbound in Providence, Rhode Island.”

Anne Burke, who contributed to the retirement system while she was a school counselor at Souhegan High School for 16 years, had this to say about her NHRS pension, “My NHRS pension is a very important component of my financial solvency. Since I worked in higher education for most of my career, the NHRS pension is not my only income source, but I would not sleep at night without it. With some of my other retirement funds still in active investments, it is reassuring to have a source that is guaranteed over time.”

Pam Smarling, a retired NH House committee researcher, said, “My pension has allowed me to focus on spending time doing the things I love to do which includes volunteering in my community, enjoying the great outdoors and traveling. Since I retired my husband and I have biked British Columbia, gone on safari in Tanzania and sailed the Greek islands.”

Maj. Ernest Loomis, who joined the NH State Police in 1963, said, “Thank you NHRS, for your diligence, and continuing to strengthen a system that has been under nearly constant assault from a variety of sources.”

Goodwin, who has served as Executive Director since 2021, reflected on how far NHRS has come.

“Since 1967, the retirement system has grown its membership and assets from its humble beginnings as a \$98 million pension fund,” said Goodwin. “According to a 2024 study from AARP, 20 percent of U.S. adults aged 50 and older have no retirement savings, and more than 60 percent are worried they will not have enough money to support them in retirement. The guaranteed lifetime benefit NHRS helps provide economic stability for our members.”

“We are pleased to celebrate this moment in NHRS history.”

Related links

NHRS Benefits by County, FY 2023:

<https://www.nhrs.org/docs/default-source/reports-and-valuations/other-reports/county-benefit-map-fy-2023.pdf>

Pensionomics 2023 – NH data:

https://www.nirsonline.org/wp-content/uploads/2023/01/pensionomics2023_NH.pdf

Pensionomics 2023 – Full Report:

<https://www.nirsonline.org/reports/pensionomics2023/>

About NHRS

NHRS provides retirement, disability, and death benefits to its eligible members and their beneficiaries. The State of New Hampshire and more than 460 local government employers participate in NHRS for their employees, teachers, firefighters, and police officers. NHRS has approximately 48,500 active members and 43,500 benefit recipients. NHRS administers a defined benefit plan qualified as a tax-exempt entity under sections 401(a) and 501(a) of the Internal Revenue Code.

#



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For Immediate Release: June 12, 2024

Contact: Marty Karlon, Director of Communications & Legislative Affairs, (603) 410-3594;
public_relations@nhrs.org

NHRS Trustees Adopt Revised Actuarial Assumptions

*Changes are expected to slightly decrease 2026-27 employer contribution rates;
Assumed rate of investment return is unchanged*

CONCORD, NH – The Board of Trustees of the New Hampshire Retirement System (NHRS, the retirement system) voted June 11, 2024, to adopt revised actuarial assumptions based on the results of a four-year experience study conducted by its consulting actuary, Gabriel, Roeder, and Smith (GRS).

The new assumptions, which better reflect the retirement system's actual and anticipated experience, will be used in the actuarial valuation for the fiscal year ending June 30, 2023. By statute, this valuation will be used by the Board in August to certify employer contribution rates for fiscal years (FY) 2026 and 2027.

In addition to adjustments to demographic assumptions – such as retirement and disability rates, withdrawals, merit and longevity salary increases, and mortality – the actuary recommended increasing the payroll growth assumption for employees, police, and fire from 2.75 percent to 3 percent to reflect price inflation growth over the past four years. Additionally, the payroll growth assumption for teachers was increased from 2.25 percent to 2.75 percent; the assumption for teachers is lower to account for the long-term decline in New Hampshire's school-age population.

Overall, the changes to actuarial assumptions approved this year are expected to slightly decrease FY 26-27 employer contribution rates from the current FY 24-25 rates.

Actuaries conduct experience studies on a regular basis to assess the extent to which their assumptions reflect plan experience. New Hampshire law requires the retirement system's actuary to conduct an experience study at least once every five years. Per Board policy, NHRS conducts an experience study every four years to remain in sync with the statutorily required certification of employer contribution rates every two years.

GRS calculates NHRS' funded ratio, unfunded actuarial accrued liability (UAAL), and employer contribution rates based on assumptions about many future events, such as the age when members will retire, their rate of salary

growth, how long they will live after retirement, and how much the plan's investments will earn. These assumptions are based on detailed statistical models in accordance with Actuarial Standards of Practice. However, they are not facts; no one can predict future events. When the assumptions don't match the actual experience, there can be an actuarial gain or loss. Put simply, gains reduce employer contribution rates, losses increase employer contribution rates.

The New Hampshire Constitution (Part I, Article 36-a) requires NHRS Trustees to set actuarially sound employer contribution rates and requires employers to annually pay those rates in full. Employer rates are calculated every two years to reflect the cost of benefits as they accrue as well as pay down existing unfunded liabilities. The retirement system's unfunded liability is the difference between current assets and the value of benefits already accrued. This unfunded liability – most of which is being paid off through 2039 – accounts for more than two-thirds of current employer rates.

For the first time since 2005, the actuary did not recommend reducing the assumed rate of investment return, which is currently 6.75 percent. Of all the assumptions used to estimate the cost of a public pension plan, none has a larger effect on the plan's employer contribution rates than the investment return assumption. This is because, over time, earnings from investments account for most of the retirement system's revenues.

According to July 2023 data compiled by the National Association of State Retirement Administrators (NASRA) in its review of the nation's largest public pension funds, the average assumed rate of return was 6.91 percent.

About NHRS

NHRS provides retirement, disability, and death benefits to its eligible members and their beneficiaries. The State of New Hampshire and nearly 460 local government employers participate in NHRS for their employees, teachers, firefighters, and police officers. NHRS has approximately 48,500 active members and 43,500 benefit recipients. NHRS administers a defined benefit plan qualified as a tax-exempt entity under sections 401(a) and 501(a) of the Internal Revenue Code.

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2024 Legislative Tracker

June 28, 2024

Legislation introduced in the 2024 session that would impact the New Hampshire Retirement System (NHRS, the retirement system) is listed below. For details on a particular bill, visit the State of New Hampshire General Court website at: <http://gencourt.state.nh.us/>

Note: Bills that have been killed or for which no further action is expected in the current legislative session are shaded in gray

BILL #	BRIEF DESCRIPTION	PRIMARY SPONSOR	STATUS
2024 NHRS-RELATED BILLS			
HB 1211	This bill temporarily increases the number of hours a retired employee can work in a calendar year from 1,352 to 1,872. After 10 years, the number of hours would revert to 1,352.	Rep. Mark Proulx	2/22/24: House, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
HB 1267	This bill prohibits the investment of funds of the state treasury, executive branch agencies, and the state retirement system in investments which consider environmental, social, and governance (ESG) criteria.	Rep. Mike Belcher	2/8/24: House, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
HB 1279	This bill provides that the state shall pay 7.5% of local employer retirement contributions for Group I Teachers and Group II Police and Fire members.	Rep. Michael Edgar	4/18/24: Senate, on voice vote, accepted committee recommendation of refer to interim study. No further action expected in 2024.
HB 1299	This bill makes community college fire educators eligible for Group II membership.	Rep. Douglas Trottier	2/15/24: House, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
HB 1307	This bill, as amended, makes a one-time supplemental allowance of \$500 in fiscal year 2025 to accidental disability benefit retirees and beneficiaries retired prior to or on July 1, 2018, who have an annual pension benefit of \$50,000 or less. The bill also provides for any future supplemental allowances and cost-of-living adjustments for accidental disability beneficiaries to be granted without regard to years of creditable service.	Rep. Hope Damon	5/30/24: House, on a voice vote, concurred with Senate version of the bill. The bill will be enrolled and sent to the Governor.
HB 1421	This bill requires the NHRS Board of Trustees to contract for two investment consulting firms and review their performance.	Rep. Stephen Pearson	2/15/24: House, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.

BILL #	BRIEF DESCRIPTION	PRIMARY SPONSOR	STATUS
HB 1435	This bill provides that if a retirement system retiree returns to being a member of the system, the portion of the retiree's allowance which is paid to a former spouse under a qualified domestic relations order will continue.	Rep. Barbara Comtois	2/8/24: House, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
HB 1451	This bill provides that mandatory overtime shall be reported as part of the full base rate of compensation.	Rep. Carol McGuire	5/23/24: Senate, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
HB 1559	New – This bill, as amended, establishes a new retirement system disability benefit for Group II members who retire as a result of a purposeful, violent attack by means of a deadly weapon. (Note: This bill replaces SB 134)	Rep. John Hunt	5/30/24: House, on a voice vote, concurred with Senate version of the bill. The bill will be enrolled and sent to the Governor.
HB 1647	This bill, as amended, increases the multiplier for Group II Tier B members to 2.5% for all years worked in excess of 15 years for members who retire under service or disability retirement. The bill includes a \$26 million appropriation toward the cost of this change.	Rep. Peter Leishman	5/30/24: House, on a voice vote, concurred with Senate version of the bill. The bill will be enrolled and sent to the Governor.
HB 1653	This bill modifies the definition of earnable compensation for Group II members hired prior to July 1, 2011, and who did not attain vested status prior to January 1, 2012.	Rep. Kevin Pratt	2/15/24: House, on a voice vote, accepted committee recommendation of refer to interim study. No further action expected in 2024.
HB 1673	This bill redefines average final compensation for Group II members hired prior to July 1, 2011, and who did not attain vested status prior to January 1, 2012.	Rep. Kevin Pratt	2/15/24: House, on a voice vote, accepted committee recommendation of refer to interim study. No further action expected in 2024.
SB 309	This bill changes the vesting period for retirement system benefits from 10 years to 5 years.	Sen. Donna Soucy	4/11/24: Senate, on voice vote, tabled the bill. No further action expected in 2024.
SB 368	This bill links the recalculation of a Group I retiree's NHRS benefit to his or her full retirement age under the federal Social Security system for members who retired prior to July 1, 2023, and who have not attained age 65 prior to July 1, 2024.	Sen. Donovan Fenton	3/21/24: Senate, on voice vote, accepted committee recommendation of refer to interim study. No further action expected in 2024.
SB 520	This bill requires state and local public retirement systems to discharge its duties solely in the financial interest of the participants and beneficiaries.	Sen. Bill Gannon	2/21/24: Senate, on a voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
Committee Key: ED&A = Executive Departments & Administration; Location Key: LOB = Legislative Office Building; SH = State House.			

RETAINED/RE-REFERRED 2023 BILLS			
HB 183	This bill allows retired Group II Fire members to be employed by the state fire academy and not have those employment hours count against the annual limit on part-time hours.	Rep. Dan Wolf	1/3/24: House, on voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.

HB 250	This bill modifies the amount of the retirement annuity payable upon the accidental death of a member to 100 percent of average final compensation at the member's death with a maximum benefit of \$85,000.	Rep. Ben Baroody	1/3/24: Senate, on voice vote, accepted committee recommendation of refer to interim study. The bill is dead.
HB 436	This bill, as amended, provides a one-time, \$50 million appropriation toward the retirement system's unfunded pension liability in fiscal year 2023.	Rep. Kevin Pratt	4/18/24: Senate, on voice vote, accepted committee recommendation of refer to interim study. No further action expected in 2024.
HB 449	This bill increases the service retirement and disability retirement annuity multiplier for the first 20 years of service of Group II retirement system members under the transition provisions adopted in 2011.	Rep. Jeff Goley	1/3/24: House, on voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
HB 559	This bill establishes a defined contribution retirement plan for new state employees who begin service on or after July 1, 2024, and who would previously have been enrolled in Group I. All new state employees on and after July 1, 2024, will be required to participate in a defined contribution plan administered by the state Deferred Compensation Commission and would not be members of NHRS.	Rep. Dan McGuire	1/3/24: House voted 201-174 to accept a motion of indefinite postponement. The bill can only be taken up by a two-thirds vote. No further action expected in 2024.
HB 571	This bill authorizes a one-time payment to a retired Group II member or beneficiary.	Rep. Ben Baroody	1/3/24: House, on voice vote, accepted committee recommendation of inexpedient to legislate (ITL). The bill is dead.
SB 134	The bill establishes a new retirement system disability benefit for Group II members who retire as a result of a purposeful, violent attack by means of a deadly weapon. A floor amendment added to the bill by the House related to landfill permitting.	Sen. Regina Birdsell	5/30/24: Senate, on a voice vote, non-concurred with House version of the bill. The bill is dead. Note: The underlying Group II enhanced disability sections was added to another bill (HB 1559) and adopted by the House and Senate.