

# How to Read Your Member Annual Statement

Please review the following sample statement carefully. Below is an explanation of each section of the statement. **If you require additional assistance with understanding your personal Member Annual Statement, please contact the New Hampshire Retirement System (NHRS) by email at [statementhelp@nhrs.org](mailto:statementhelp@nhrs.org), or by phone: 1-877-600-0158 x3683.** Additional information about NHRS benefits is available on the reverse side of this sample and at: [www.nhns.org/members/plan-details/member-statements](http://www.nhns.org/members/plan-details/member-statements)

Please make sure that NHRS has your correct mailing address. To change your address, complete the online "Personal Information Change Form" through *My Account* at: <https://wms.nhns.org/NHRSMemberServices/pgwebmember.exe>

Or download the "Personal Information Change Form" at <https://www.nhns.org/members/forms>, complete the form, and send it to NHRS at 54 Regional Drive, Concord, NH 03301.

Your membership plan is based on your NHRS-covered employment: Employee, Fire, Police, or Teacher. Your member contribution rate is based on your NHRS group classification. During the period covered in this statement, the member contribution rate for Group I (Employee and Teacher) members was 7.0%, for Group II Police members it was 11.55%, and for Group II Fire members it was 11.80%. Reported wages are your earnings reported by your employer to NHRS during this statement period.

Mandatory contributions paid by you to NHRS through automatic payroll deduction based on your member contribution rate.

**New Hampshire Retirement System**  
54 Regional Drive, Concord, NH 03301  
(603) 410-3500 or toll-free (877) 600-0158

JANE DOE  
123 MAIN ST  
ANYTOWN, NH 03301

**MEMBER ANNUAL STATEMENT**  
Statement Period is 07/01/2016 through 06/30/2017

**PERSONAL INFORMATION**

Membership Plan: Employee	Employer: NH RETIREMENT SYSTEM
Enrollment Date: 02/14/1986	Reported Wages: \$104,499.48
Date of Birth: 03/13/1960	Member Contribution: 7.0%

**CONTRIBUTIONS**

Contribution Type	As of 06/30/2016	Contributions	Interest	As of 06/30/2017
Member	\$ 316,714.71	\$ 7,314.96	\$ 2,384.36	\$ 326,414.03
Additional Annuity	\$ 44,231.88	\$ 0.00	\$ 831.74	\$ 44,563.62
<b>Account Balance</b>	<b>\$ 360,946.59</b>	<b>\$ 7,314.96</b>	<b>\$ 2,716.10</b>	<b>\$ 370,977.65</b>

**SERVICE CREDIT**  
36.3334 (years and fraction of a year)  
This total includes service credit earned as a contributing member plus any service credit purchases, as of 06/30/2017. This total also includes service credit from multiple membership plans (employee, firefighter, police officer, or teacher), if applicable.

**BENEFICIARY INFORMATION**

Name	Birthdate	Relationship	Distributions
JOHN DOE	11/12/1960	Husband	Primary/100.00%

**BENEFIT ESTIMATE INFORMATION - As of 06/30/2017**

All pension amounts are permanently reduced by approximately 10% as of age 65. If you retire prior to age 65, your pension will be reduced upon attaining age 65. If you retire at age 65 or older, you will receive the reduced pension amount. This estimate does not include any additional contributions you may have deposited or reflect any reductions under a survivorship option for a beneficiary.

This is your pension earned to date, referred to as your accrued benefit.

Your Age	Your Service Credit	Average Final Compensation (AFC)	Estimated Monthly Pension Payable at Age 60	Estimated Monthly Pension Payable at Age 65
57	36.33	\$ 8,470.12	\$ 5,129.23	\$ 4,662.94

This is your projected benefit, based on your current salary and if you continue to earn NHRS service credit, until normal Service Retirement age. (Assumes no break in service.)

Your Age	Your Service Credit	Average Final Compensation (AFC)	Estimated Monthly Pension Payable at Age 60	Estimated Monthly Pension Payable at Age 65
60	39.04	\$ 8,470.12	\$ 5,508.65	\$ 5,007.86

*The information in this statement has not been audited. Your actual pension will be subject to benefit limitations under RSA 100-A and the Internal Revenue Code. Contact NHRS before you take any action based on this statement.*

Voluntary contributions paid by you to NHRS through the additional contributions program. (This program is available to only those members who applied by 12/31/2004, and whose additional contributions application was approved.)

Credited interest on all of your contributions for this statement period. (The member interest rate from July 2016 to December 2016 was 1.5%, from January 2017 to June 2017 the interest rate was 0%.)

The amount listed in this column includes all contributions paid by you, both member and additional, to NHRS for this statement period only.

The amount listed under "As of 6/30/2017" is the sum of all your contributions, any service credit purchases, and interest earnings as of 6/30/2017.

The information in this statement has not been audited. Your actual pension will be subject to benefit limitations under RSA 100-A and the Internal Revenue Code. Contact NHRS before you take any action based on this statement.

Service credit earned as a contributing member of NHRS plus any service credit purchases as of 6/30/2017; shown as years and months of service.

If you are vested (at least 10 years of creditable service or in service beyond normal Service Retirement age), you will see an estimate of your Service Retirement pension here, based on your estimated pension earned as of 6/30/2017, referred to as the "accrued benefit."

You will also see a "projected benefit" here, based on your current salary and the assumption that you will continue to earn NHRS service credit until Service Retirement age (refer to the reverse side of this sample for more information).

If you do not have at least 10 years of creditable service, or you will be eligible for a split benefit, you will not see an estimate of your pension.

**Note to teachers:** Your estimated benefit may be impacted if you are or have ever been paid over 12 months, or if you have worked under both 10- and 12-month contracts over the course of your career. If you have questions about your estimate, contact NHRS at 603-410-3677.

Please make sure that the person(s) whom you designate to receive a death benefit and/or return of your existing member contributions plus earned interest upon your death are correct. To change your beneficiary designation, please complete the online "Designation of Death Beneficiary(ies) Pre-retirement" form through *My Account* at: <https://wms.nhns.org/NHRSMemberServices/pgwebmember.exe>

Or download the "Designation of Death Beneficiary(ies) Pre-retirement" form at: <https://www.nhns.org/members/forms>, complete the form, and send it to NHRS at 54 Regional Drive, Concord, NH 03301.

## **NHRS Terms and Definitions**

### **Membership**

Members of NHRS include Employee and Teacher members (Group I) and Police and Fire members (Group II) who work for political subdivisions (cities, towns, school districts, and other units of local government), as well as State of New Hampshire employees.

### **Type of Plan**

NHRS is a defined benefit plan qualified as a tax-exempt entity under sections 401(a) and 501(a) of the Internal Revenue Code. Pensions are computed using a formula that is based on a member's creditable service and average final compensation (AFC). Pensions are not based on contributions or NHRS investment earnings.

### **Service Credit**

Service Credit, also referred to as "creditable service," includes membership service earned as a contributing NHRS member, plus service credit purchases. Service credit purchases may include employer enrollment oversight service, military service for military duty served prior to NHRS membership, probationary/temporary service, and previously withdrawn service. There are also provisions for service credit for members called to active military duty and for members who receive Workers' Compensation.

### **Average Final Compensation (AFC)**

AFC is the average of a member's three highest paid years of membership service. For members not vested prior to January 1, 2012, or who commenced service on or after July 1, 2011, AFC is the average of a member's five highest paid years of membership service. In all cases, certain limitations may apply. On this statement, AFC is shown as a monthly amount.

### **Vesting/Vested Deferred Retirement**

Members with at least 10 years of creditable service are vested and have earned a right to a future benefit from NHRS, even if they terminate NHRS-covered employment prior to Service Retirement age (see below). In order to be eligible for a Vested Deferred Retirement pension, members must not withdraw their NHRS funds. Refer to the filing requirements, below.

Members who are in service beyond the normal Service Retirement age are also eligible for a pension benefit, regardless of their years of creditable service.

### **Service Retirement**

#### **Members vested prior to Jan. 1, 2012**

- Group I and Group II members who are age 60 or older regardless of Creditable Service
- Group II members who have attained age 45 and have at least 20 years of Creditable Service

#### **Members not vested prior to Jan. 1, 2012**

- Group I members who are age 60 or older regardless of Creditable Service
- Group II members — Minimum age/Creditable Service requirements and benefit multiplier are on a sliding scale based on years of Creditable Service as of Jan. 1, 2012, outlined in RSA 100-A:5,II(d). For more information, see: <https://www.nhrs.org/members/benefits/service-retirement/g-ii-non-vested-1-1-12>

#### **Members hired on or after July 1, 2011**

- Group I members who are age 65 or older regardless of Creditable Service
- Group II members who have attained age 52.5 and have at least 25 years of Creditable Service

### **Members Who Are Not Vested**

Members who terminate NHRS-covered employment may leave their contributions with NHRS indefinitely. A member will be deemed inactive after 180 days of absence from service and may request a return of contributions.

A Group I member may request a return of contributions at any time after 30 days from the date of termination from employment. A Group II member may request a return of contributions at any time after termination from employment.

A return of contributions would, however, result in a cancellation of service credit and forfeit any right to a future benefit. Members are advised to consult with a legal or tax advisor before requesting a return of contributions.

### **Pre-Retirement Death Benefits**

A death benefit and/or refund of member contributions plus credited interest may be payable to a member's designated beneficiary(ies) if the member's death occurs prior to retirement, while the member is in service. Refer to [www.nhrs.org](http://www.nhrs.org) or contact NHRS for more information about pre-retirement death benefits.

Members who are eligible for Service Retirement (see above) but continue to work in NHRS-covered employment are eligible to designate a lifetime pension to a single beneficiary or multiple children beneficiaries and/or a spouse in the event of the member's death prior to retirement. Members must complete a *Designation of Death Beneficiary(ies) (Pre-retirement)* form to qualify for this benefit.

### **Filing for NHRS Benefits**

Members must apply for NHRS benefits. Pensions do not commence automatically. The law requires members to apply for Service Retirement benefits with NHRS at least 30 days but no more than 90 days before the effective date of retirement, which is always the first of a month.

### **Important Reminders**

- Members are encouraged to contact NHRS prior to terminating their NHRS-covered employment and filing for retirement.
- Members must file for benefits within the filing deadlines listed above.
- Members are encouraged to review their beneficiary designation regularly and file a new beneficiary designation with NHRS, as necessary (for example, upon marriage, divorce, birth of child, etc.).

The New Hampshire Retirement System (NHRS) is governed by New Hampshire RSA 100-A, rules, regulations, and Federal laws including the Internal Revenue Code. NHRS also implements policies adopted by the Board of Trustees. These laws, rules, regulations, and policies are subject to change. Even though the goal of NHRS is to provide information that is current, correct, and complete, NHRS does not make any representation or warranty as to the current applicability, accuracy, or completeness of any information provided. The information herein is intended to provide general information only, and should not be construed as a legal opinion or as legal advice. Members are encouraged to address specific questions regarding NHRS with an NHRS representative. In the event of any conflict between the information herein and the laws, rules, and regulations which govern NHRS, the laws, rules, and regulations shall prevail.