

NHRS DASHBOARD: FY 2022 First Quarter

For the period July 1, 2022, to September 30, 2022

Prepared for the Office of Gov. Christopher T. Sununu - January 2023

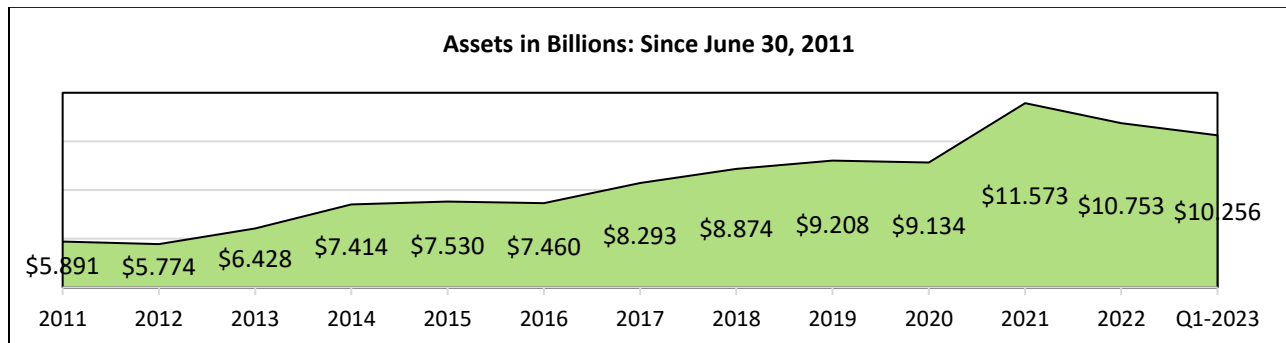
QUARTERLY HIGHLIGHTS

Here is a summary of NHRS activities during the quarter ending September 30, 2022:

- Trustees in July certified employer contribution rates for fiscal years 2024 and 2025 pursuant to RSA 100-A:16, III. The rates were developed by GRS, the NHRS consulting actuary, in the biennial actuarial valuation for the year ending June 30, 2021. The new rates take effect on July 1, 2023, which marks the start of the 2024 fiscal year. Overall, rates decreased primarily due to strong investment performance over the five-year period ending June 30, 2021.
- Pursuant to its authority under RSA 100-A:15 VII(d) to seek legislation “in order to better serve the members of the system,” the Board voted in August to authorize staff to seek a sponsor for 2023 legislation that would make technical corrections to RSA 100-A that would clarify ambiguous passages to comport with NHRS’ long-standing statutory interpretations, address areas where the statute conflicts with federal law, and delete extraneous or contradictory language.
- The multi-year upgrade of the NHRS pension database (“PGV3”), which began in January 2019, is now 65% percent complete.

TRUST FUND

| | |
|--|---|
| 1st Quarter FY 2022: \$11.465 billion | 1st Quarter FY 2023: \$10.256 billion* |
|--|---|



* Unaudited

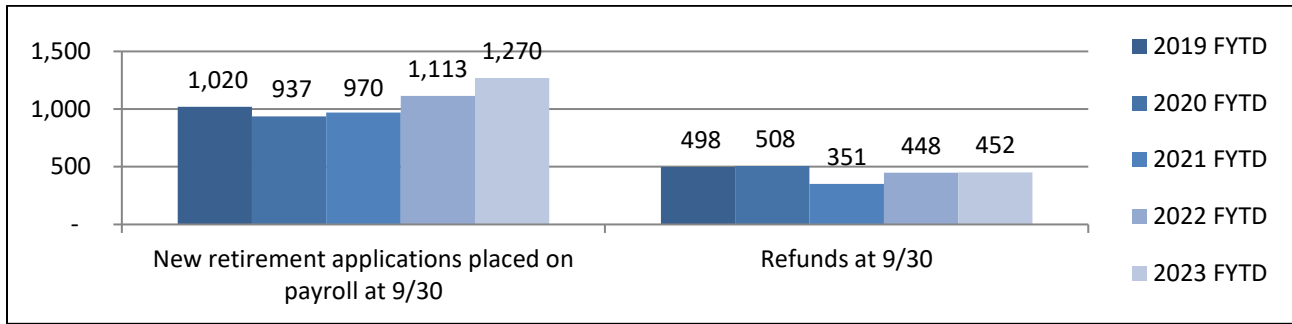
INVESTMENT PERFORMANCE

| Net-of-fees returns | FYTD – 9/30/22* | 1 yr. at 6/30/22 | 3 yr. at 6/30/22 | 5 yr. at 6/30/22 | 10 yr. at 6/30/22 |
|------------------------------|-----------------|------------------|------------------|------------------|-------------------|
| Total Fund Composite | - 3.4% | -6.1% | 7.1% | 7.2% | 8.5% |
| Peer comparison (percentile) | NA | 34th | 35th | 36th | 18th |

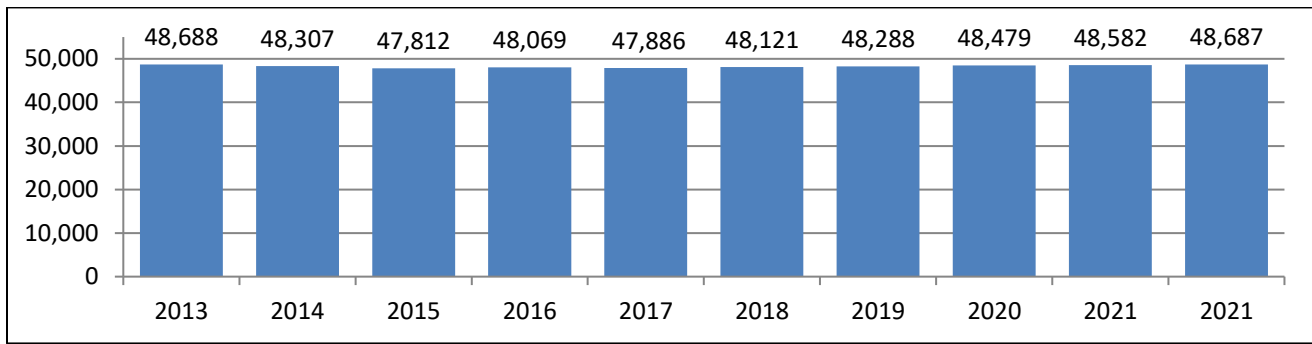
Assumed Rate of Return: 6.75%; * 6/30/22 return unavailable pending valuation of real estate and alternative investments.

Note: In investment parlance, the lower the percentile regarding peer comparison, the better the performance relative to peers. For instance, NHRS’ 10-year performance in the 18th percentile means the retirement system outperformed 82% of peer public plans over that period.

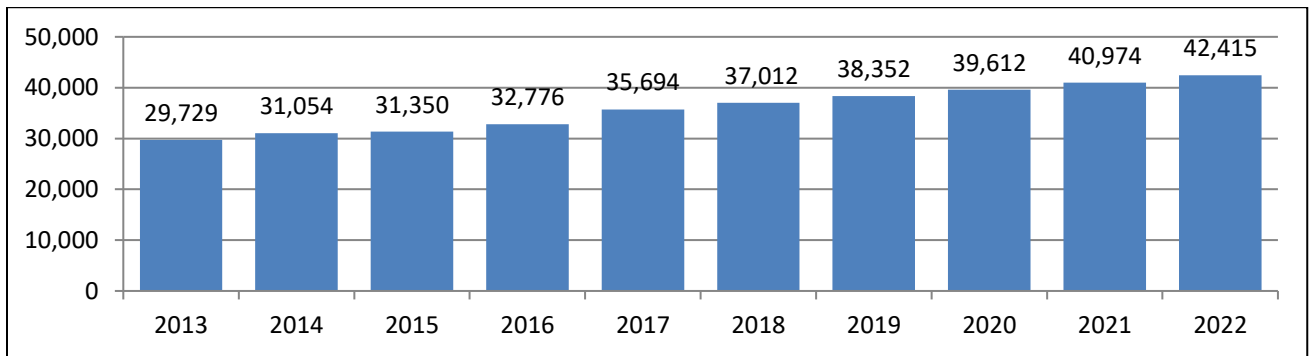
RETIREMENTS AND REFUNDS



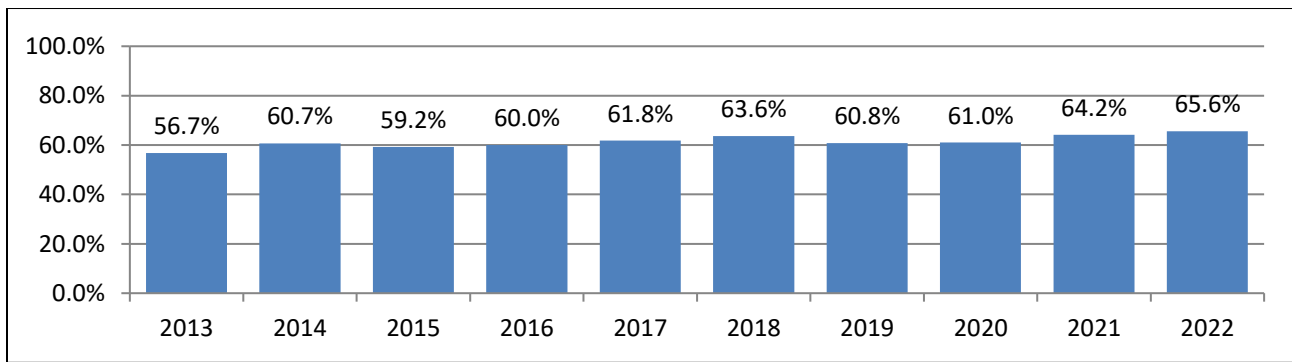
ACTIVE MEMBERS



RETIREES & BENEFICIARIES



ACTUARIAL FUNDED RATIO



Funded ratio impacted by reductions to assumed rate of return and revised actuarial assumptions in 2016 and 2020.

NET POSITION AND ADMINISTRATIVE EXPENSES

| FYTD Net Position (\$s in billions) | FY 2023 | FY 2022 | FY 2021 | FY 2020 |
|---|----------------------|---------------------|---------------------|-------------------|
| Current Fiscal Year-To-Date | September 2022 | September 2021 | September 2020 | September 2019 |
| Net Position Change | (\$1.209) | (\$0.109) | \$0.261 | (\$0.051) |
| Prior Year Beginning Balance | \$11.465 | \$11.574 | \$9.134 | \$9.208 |
| Net Position Balance * | \$10.256 | \$11.465 | \$9.395 | \$9.157 |
| FYTD 2023 Budget vs. Actual | | | | |
| Non-Investment Administrative Expenses | | | | |
| Through September 30, 2022 | | | | |
| | Total Budget | FYTD Budget | Actual | Difference |
| Administrative Expenses | | | | |
| Internal (Statutory Admin. Budget) | \$ 10,111,942 | \$ 2,711,339 | \$ 2,369,637 | \$ 341,702 |
| External (Actuary, Legal, Audit) | \$ 1,170,750 | \$ 292,688 | \$ 165,168 | \$ 127,520 |
| Total | \$ 11,282,692 | \$ 3,004,027 | \$ 2,534,805 | \$ 469,222 |

** FY 2023 net position balance unavailable; market value of assets shown*