



New Hampshire Retirement System
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September 13, 2016

FROM: NHRS Board of Trustees
George P. Lagos, Executive Director

TO: Political Subdivisions, including Municipalities, School and Village Districts, Counties and others

SUBJECT: **EMPLOYER CONTRIBUTION RATES – MUNICIPAL
EFFECTIVE JULY 1, 2017 – JUNE 30, 2019**

Pursuant to RSA 100-A:16, III, and the actuarial valuation of June 30, 2015, the New Hampshire Retirement System Board of Trustees at its September 13, 2016, meeting certified the following employer rates of contribution due the retirement system beginning July 1, 2017, and ending June 30, 2019. Employers shall ensure that these rates are implemented for Earnable Compensation paid on and after July 1, 2017.

**EMPLOYER CONTRIBUTION RATES
EFFECTIVE JULY 1, 2017 – JUNE 30, 2019**

	<u>Pension Percentage</u>	<u>Medical Subsidy Percentage</u>	<u>Total Employer Percentage</u>
<u>GROUP I</u>			
Employees	11.08%	0.30%	11.38%
Teachers	15.70%	1.66%	17.36%
<u>GROUP II</u>			
Police	25.33%	4.10%	29.43%
Fire	27.79%	4.10%	31.89%

The employer contribution rates must be applied to the covered payroll for each respective membership classification.

Please refer any questions regarding this memo to: info@nhrs.org



EARNABLE COMPENSATION

Earnable Compensation is the compensation paid to a member that may be included in calculating Average Final Compensation (AFC). Here is a summary of changes to the definition of Earnable Compensation pursuant to House Bill 2, Chapter 0224, Laws of 2011.

KEY: Y – Included as Earnable Compensation.
 N – Not included as Earnable Compensation.

Type of Compensation	Prior to HB 2	Effective On and After 1/1/12	
		Vested Prior to 1/1/12	Not Vested Prior to 1/1/12
Full Base Rate of Compensation Paid	Y	Y	Y
Overtime Pay	Y	Y	Y
Holiday Pay	Y	Y	Y
Vacation Pay	Y	Y	Y
Sick Pay	Y	Y	Y
Annual Longevity Pay	Y	Y	Y
Cost of Living Bonus	Y	Y	Y
Additional Pay for Extracurricular & Instructional Activities (Teacher and Employee members employed by a school district or SAU only)	Y	Y	Y
Military Differential Pay - No Termination of Employment	Y	Y	Y
Fair Market Value of Employer Furnished Meals & Lodging, if Subject to Federal Income Tax	Y	Y	Y
Supplemental Pay by Employer while Member is Receiving Workers' Comp.	Y	Y	Y
Teacher Development Pay Not Part of Contracted Salary	Y	Y	Y
Military Differential Pay After Employment Termination to Enter United States Armed Forces	Y	Y	Y
Extra or Special Duty Pay (Group II members only)	Y	Y*	Y*
Severance Pay	***	***	N
Cash Incentives Paid by Employer to Encourage Member to Retire	Y	Y	N
Pay for Unused Vacation Time	Y	Y	N
Pay for Unused Sick Time	Y	Y	N
End of Career Additional Longevity Pay	Y	Y	N
Fair Market Value of Other Non-cash Compensation, if Subject to Federal Income Tax	N	N	N
Other Compensation & Fringe Benefits Subject to Federal Income Tax	N	N	N
Settlement Agreements	***	***	***
Amounts paid more than 120 days after Termination of Employment	***	***	N

* – Excluded if member's NHRS-eligible service commenced on or after 7/1/11; *** – Contact NHRS
 Note: AFC is subject to limitations contained in RSA 100-A: 1, XVIII.

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