



RESOLUTION

SUPPORTING EFFORTS BY THE STATE LEGISLATURE TO REDUCE THE DOWNSHIFTING OF COSTS ASSOCIATED WITH THE NEW HAMPSHIRE RETIREMENT SYSTEM

CITY OF NASHUA

In the Year Two Thousand and Seventeen

WHEREAS, the City of Nashua employs a large number of municipal and school district employees;

WHEREAS, the City of Nashua has enrolled most of these employees in the State of New Hampshire Retirement System;

WHEREAS, the City of Nashua made the decision to enroll these employees in the State Retirement system based on the promise of savings to the taxpayer due to the State of New Hampshire's 35% contribution to the system and the promise of return on the investment of the trust fund;

WHEREAS, the trust fund has been operated in such a way as to currently contain funds accounting for less than 60% of the anticipated liabilities of the retirement system, as opposed to the City's Board of Public Works Retirement System, which is funded at approximately 80% of its anticipated liabilities;

WHEREAS, the State of New Hampshire has recently established a "get well plan" to restore the trust fund to fully cover the liabilities of the retirement system in a relatively short period by assessing yearly costs on the City which are approximately three times what is needed to maintain the plan were it fully or nearly fully funded;

WHEREAS, the downshifted expenses now account for an additional 15 million dollars in expense to the taxpayers of Nashua over and above what our proportional share was 9 years ago;

WHEREAS, the Board of Aldermen of the City of Nashua holds that it is fundamentally unfair, and unnecessarily burdensome to demand that the current residents of Nashua pay simultaneously the retirement costs of the past, the present, and the future due to the State's handling of the trust fund; and

**AMENDED
RESOLUTION**

R-17-087

WHEREAS, the downshifted expenses represent a burden on the constrained budget of the City which will require the City to reduce existing services in order to keep the budget at its maximum allowable annual increase.

NOW, THEREFORE BE IT RESOLVED by the Board of Aldermen of the City of Nashua that said board hereby endorses any and all efforts by the State Legislature to reduce the burden placed on the taxpayers of Nashua by the downshifting of the costs of the retirement system, including but not limited to:

- 1 - Restoring all or part of the State of New Hampshire's portion of support to the contributions to the fund, such as House Bill 413.
- 2 – Extending the “get well” period to reach full funding of the trust fund to cover the liabilities of the plan, such as House Bill 369
- 3 – Reducing the funding percentage target for liabilities from 100%.
- 4 – Increasing the anticipated rate of return on the fund, such as House Bill 425.