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State of New Hampshire
Deferred Compensation Commission

Mailing Address: 25 Capitol Street, Room 33, Concord, NH 03301
Office Location: 105 Pleasant St., Room 204, Main Building, Concord, NH 03301
(603) 271-7886

January 5, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

INFORMATIONAL ITEM

The New Hampshire Deferred Compensation Commission reports that an annual report for the 2024 plan year has been completed.

EXPLANATION

Attached, please find copies of the Annual Report for the State of New Hampshire Deferred Compensation Plan for the period January 1, 2024, to December 31, 2024.

Respectfully submitted,

Terence R. Pfaff
Commission Chair

State of New Hampshire
Deferred Compensation Commission

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25 November 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, NH 03301

Dear Governor Ayotte and Honorable Councilors,

On behalf of the Deferred Compensation Commission, I am pleased to present the **2024 Annual Report** for the State of New Hampshire Deferred Compensation Plan (NHDCP).

As of year-end 2024, the NHDCP had **8,718** active participant accounts comprised of 5,529 current employees and 3,189 participants separated from service. Total plan assets at the end of this plan year were **$549.4 million.**

The NHDCP provides an important supplement to the New Hampshire Retirement System's defined benefit pension plan. This report outlines key indicators of program health and the process of our participants in supporting retirement readiness and income security.

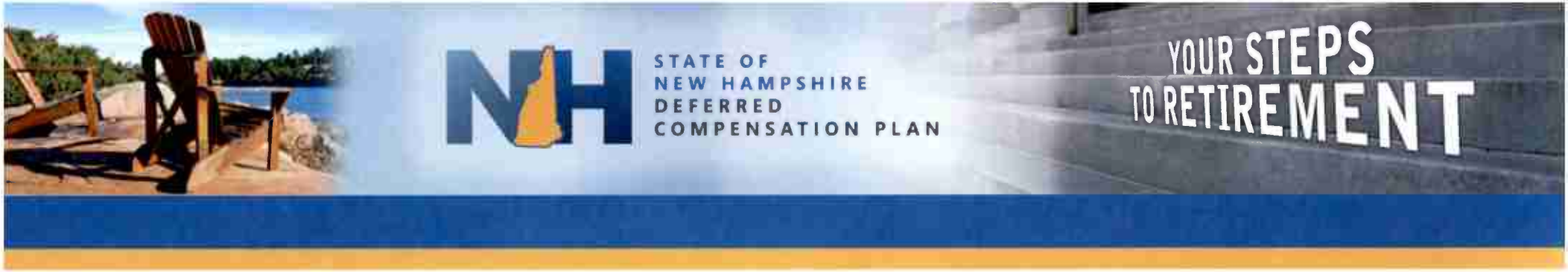
The data that comprises this report reflects the story of how our participants over time have been active creators of their retirement future through active saving, diversified investments, and prudent management of their accounts. This report shares key elements with the State's elected officials and other stakeholders, all of whom play various roles in maintaining the vitality of this essential program.

Respectfully submitted,

Terence R. Pfaff
Chair

STATE OF
NEW HAMPSHIRE
DEFERRED
COMPENSATION PLAN

New Hampshire 457(b) Deferred Compensation Plan
Annual Report
Plan Year 2024



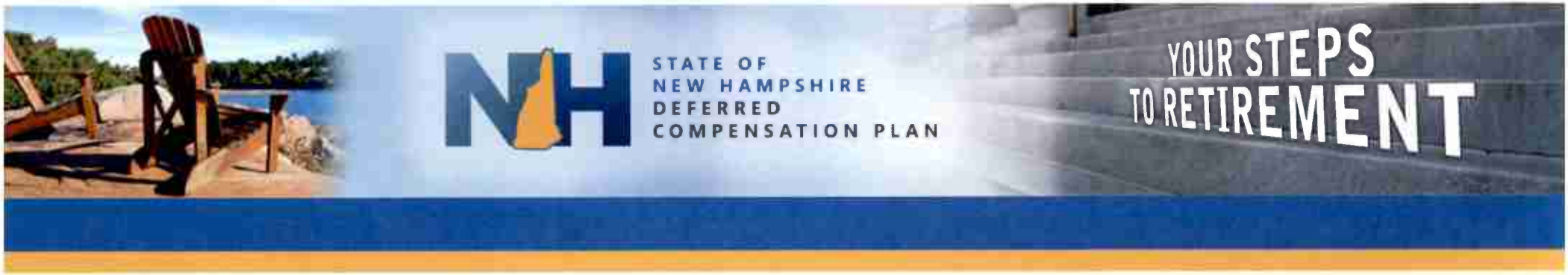
Executive Overview

The New Hampshire Deferred Compensation Plan (NHDCP) is a tax-advantaged supplemental retirement savings program established under Internal Revenue Code (IRC) Section 457 and New Hampshire State Law, Title VI Public Officers and Employees, Chapter 101-B Public Employees Deferred Compensation Plan. Section 457 plans were created for state and local government entities. These entities are required under federal law to hold plan assets in trust for the exclusive benefit of participants and their beneficiaries.

Established in statute, the New Hampshire Deferred Compensation Commission governs the NHDCP. In support of its fiduciary obligations, the Commission effects plan design and policy changes, contracts with service providers, and operates the NHDCP in compliance with applicable federal and state law. The Commission meets on a quarterly basis to review the plan, plan administration, and investments.

The NHDCP is staffed by an Executive Director dedicated exclusively to the plan and reporting directly to the Commission. The Executive Director is responsible for facilitating participation in the NHDCP, conducting administrative and financial transactions, issuing procurements, developing and overseeing contracts, proposing policy and plan design changes, and providing participant and stakeholder support.

Costs of administering the NHDCP are fully paid by participant fees.



Commission/Staff Members

Terence R. Pfaff- Chair
Legislative Branch Representative

Monica I. Mezzapelle
State Treasurer

John M. Formella
NH Attorney General

Caitlin D. Davis
Unclassified Employee Member

Tanya Pitman
Judicial Branch Representative

Charles M. Arlinghaus- Vice Chair
Commissioner-Administrative Services

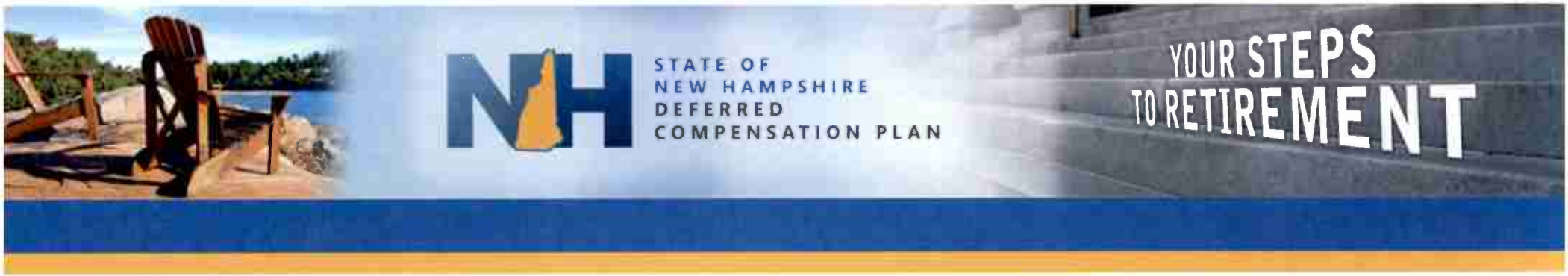
David J. Bettencourt
Commissioner- Insurance Department

David M. Scanlan
Secretary of State

Craig R. Moul
Public Employee at Large

Staff:

Craig A. Downing
Executive Director



PLAN ASSETS

Total NHDCP assets increased 10.2% year over year in 2024. While aggregate changes can be volatile year over year, they have grown when looked at over rolling five-year periods. Over the most recent five-year period, from 2019 through 2024, assets grew by $150.9 million.

STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

Plan Assets

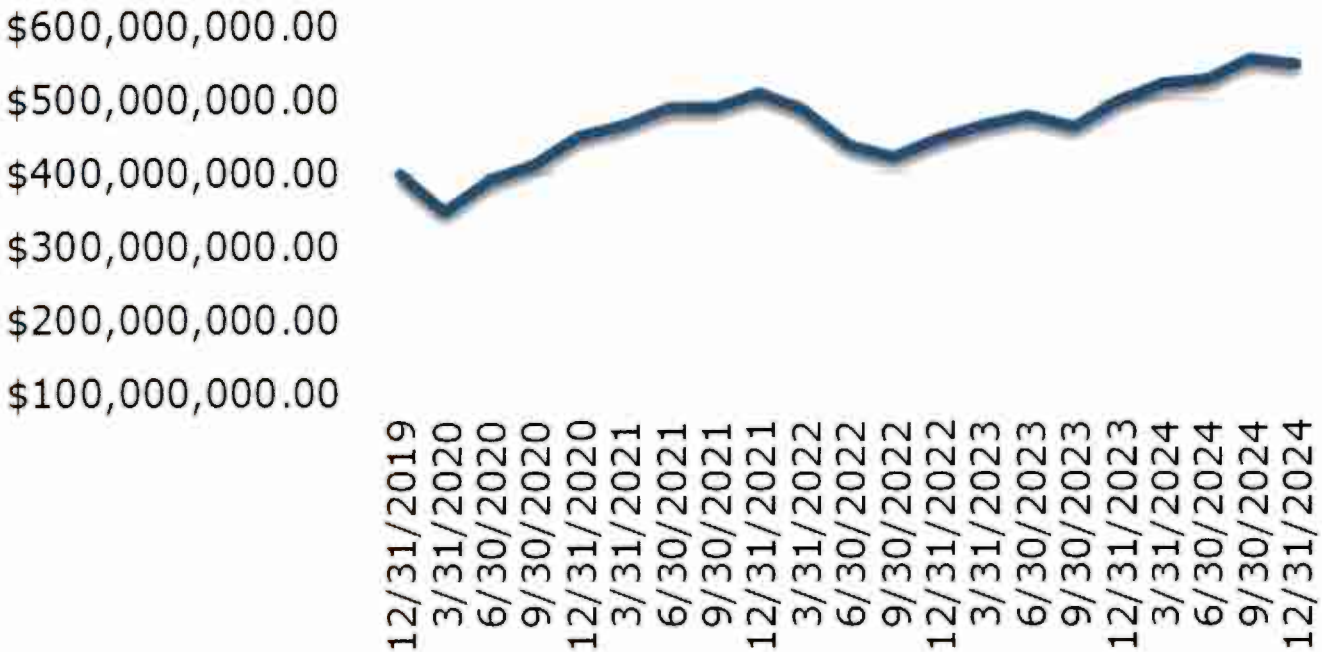
as of 12/31/2024

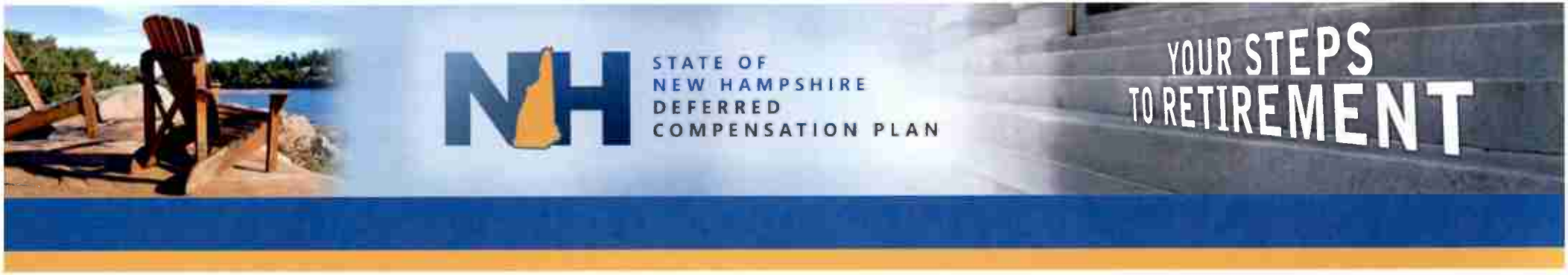
Participant Assets:	$548,379,753
Plan-Level Assets:	$1,076,641
Total Assets:	$549,456,394

Participant Assets
Plan Year 2024

Plan Assets

Plan Assets
5 Year Trending





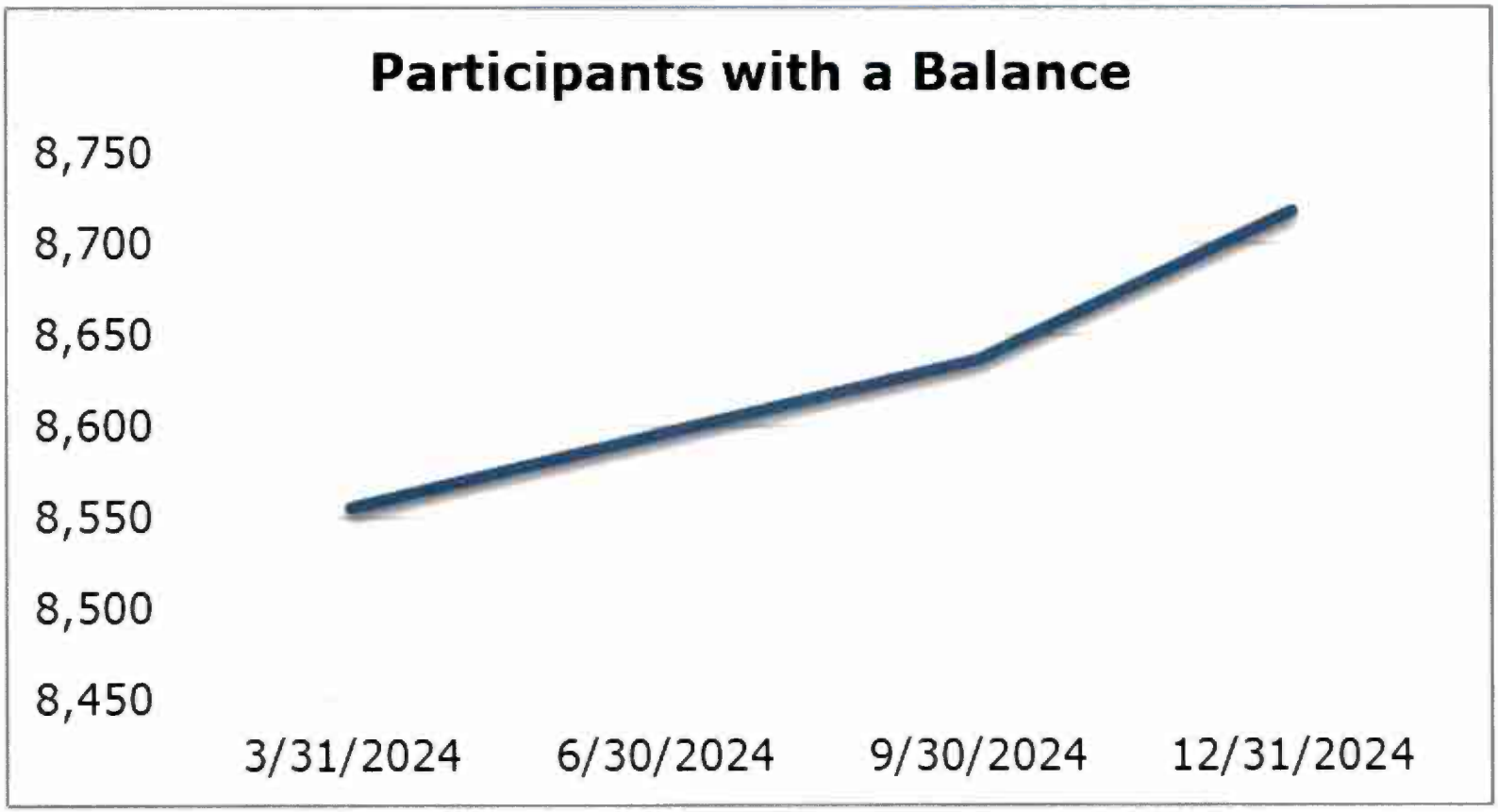
PARTICIPATION

As of 12/31/2024 the NHDCP had 8,718 participants with a balance in their account.

This included:

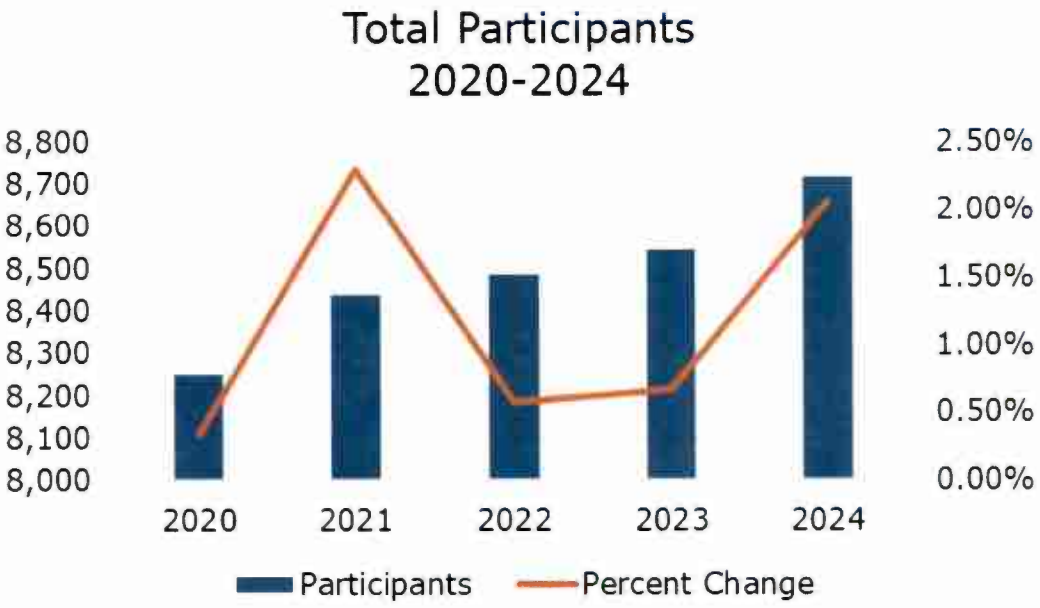
- Active (those currently employed) Participants with a Balance: 5,529
- Separated from service Participants with a balance: 3,189

Number of Participants



Participants with a Balance

5-year overview



	2020	2021	2022	2023	2024
Participants	8,248	8,438	8,486	8,543	8,718
Percent Change from prior year	0.34%	2.30%	0.57%	0.67%	2.05%

As of 12/31/2024, the number of total **new enrollments** for the year was 592.

STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

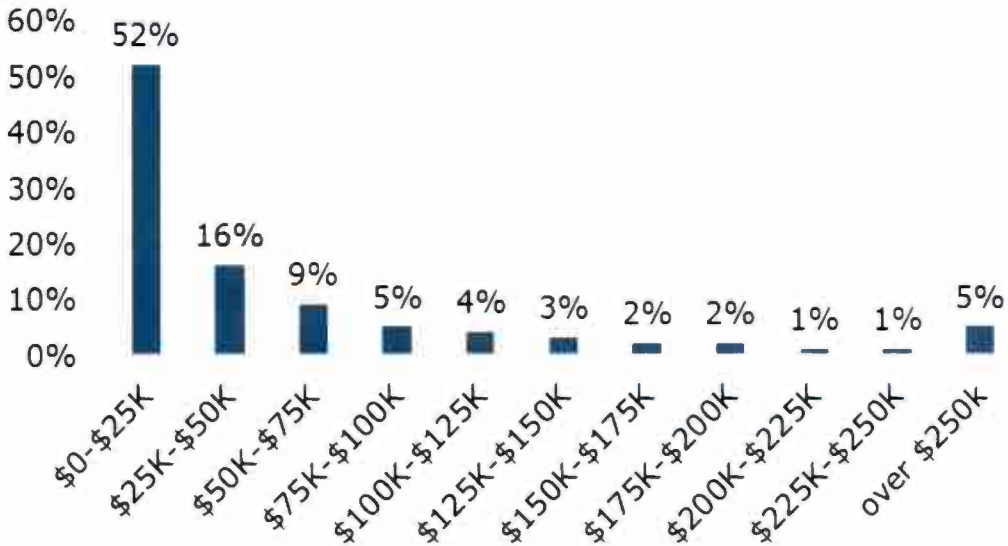
Participant Balances

as of 12/31/24*

Average
$62,902

Median
$22,629

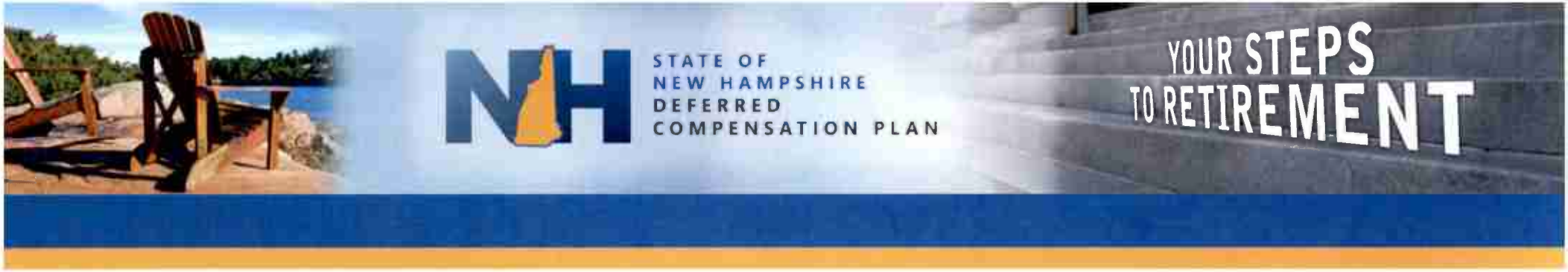
Distribution of account balances



Account balances by employment status

Active	Average balance	**$56,860**
	Median balance	**$20,193**
	# of participants	**5,529**
Separated from service	Average balance	**$73,378**
	Median balance	**$27,906**
	# of participants	**3,189**

*Account balances presented are based on all participants that have a balance greater than $0. When applicable, any outstanding loan amounts are not included as part of a participant's account balance.



CASH FLOWS & INVESTMENTS

Cash flow

As of 12/31/2024

Year-to-date participant activity summary[1]

Total contributions	Disbursements	Net Activity
$37,287,466	-$43,776,336	($6,488,869)

Impact on balances

	1/1/2024 - 3/31/2024	4/1/2024 - 6/30/2024	7/1/2024 - 9/30/2024	10/1/2024 - 12/31/2024
Beginning balance	$498,591,649	$522,228,974	$526,887,848	$554,981,047
Contributions	$8,400,599	$9,376,432	$9,377,865	$10,132,570
Disbursements	-$12,752,825	-$7,456,200	-$10,509,935	-$13,057,376
Fees[2]	-$357,741	-$381,916	-$395,485	-$389,366
Loans issued	-$465,090	-$959,388	-$657,937	-$588,591
Loan payments	$491,881	$472,651	$509,553	$596,810
Other[3]	$0	$0	$0	$0
Change in value	$28,320,502	$3,607,295	$29,769,137	-$3,295,341
Ending Balance	**$522,228,974**	**$526,887,848**	**$554,981,047**	**$548,379,753**

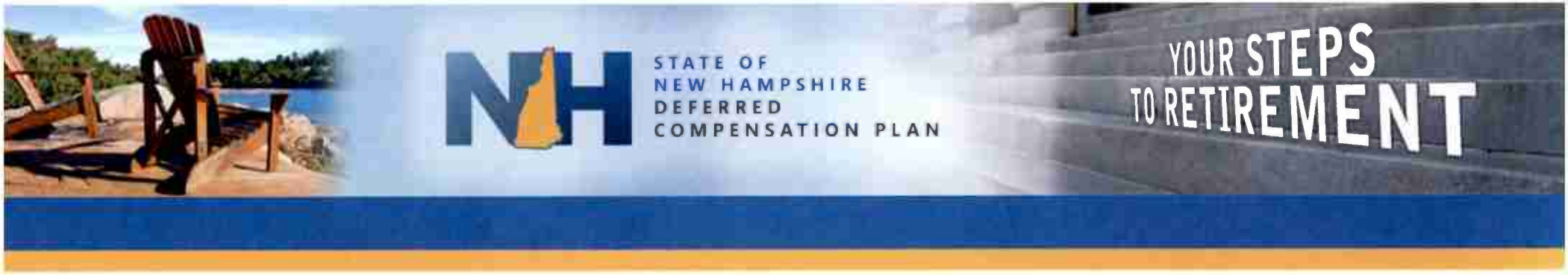
Overview

Cash flow illustrates the inflows and outflows of dollars from participant accounts along with the impact that those flows have on participant balances. All actively employed and separated from service participants are included.

[1]The year-to-date period begins when the plan is loaded onto the recordkeeping system. Therefore, the year-to-date period may not include all months for plans that were recently added.

[2]Fees may include but are not limited to: transactional and plan administrative fees.

[3]Other includes 'Transfer In', 'Transfer Out', 'Adjustments'



2024 Contribution Highlights

Active employee participants may contribute to the NHDCP up to Internal Revenue Code annual limits. In 2024, participants added $30.3 million to their accounts through salary deferral, and $6.9 million through non payroll contributions including rollovers and transfers.

The average contribution rate of the plan is 7.5%, and 19.0% (821) of participants contributed over 10% of their salary in plan year 2024.

Participants can contribute in two tax-advantaged ways:

- ✓ Pre-Tax: Taxes are deferred when the contribution is made and assessed upon distribution.
- ✓ After-Tax (Roth): Taxes are paid when the contribution is made; no taxes are assessed on earnings.

STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

Contribution activity

Pre-Tax or After-Tax (Roth)

Pre-tax saving has attracted the bulk of participant dollars given its more immediate tax incentives. Participants have the option of converting pre-tax to after-tax (Roth) both prior to and during retirement.

	Participant before-tax	Participant Roth	Other	Total
Year to date total contributions	**$22,039,020**	**$8,266,032**	**$6,982,414**	**$37,287,466**

Population of participants by their money type strategy for deferral elections

Before-tax only

2,688 participants have elected before-tax contributions only

Roth only

1,217 participants have elected roth contributions only

Multiple types

406 participants have elected contributions to multiple money types

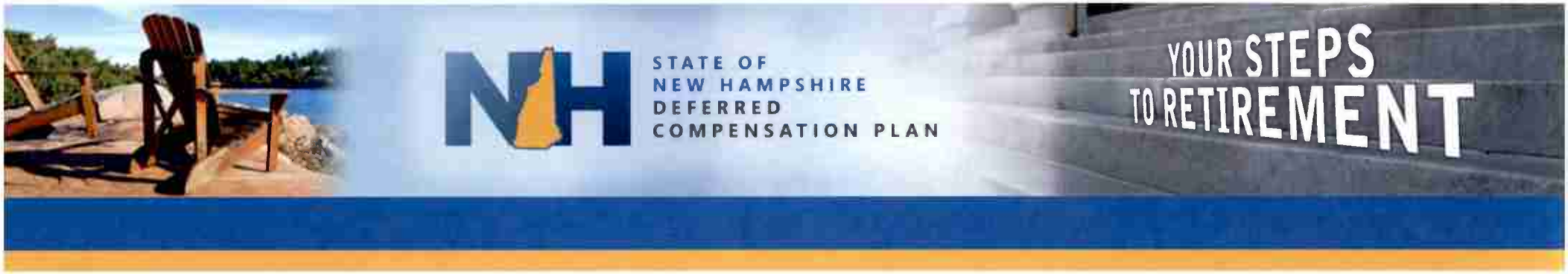
STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

2024 Distributions

Participants who have retired or otherwise separated from service; acquired accounts as beneficiaries or pursuant to divorce; or are otherwise eligible to withdraw based on special circumstances, may withdraw from their accounts without penalty.

In 2024, participant distributions totaled **$43.8 million.**



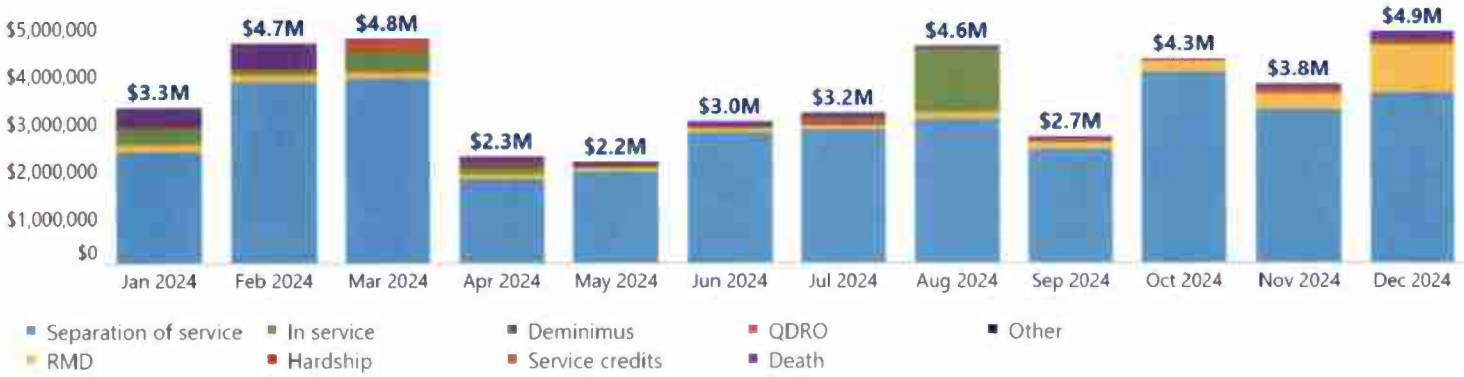
Distribution activity

As of 12/31/2024

Distribution activity at-a-glance[1]

		Separation of service	RMD	In service	Hardship	Deminimus	Service credits	QDRO	Death	Other	Total
Year to date	Amount	**$35.8M**	**$2.7M**	**$2.7M**	**$64.9K**	**$1.8K**	**$521.1K**	**$5.4K**	**$2.0M**	**$65.2K**	**$43.8M**
	Transactions	2,314	1,111	101	13	1	12	1	180	7	3,740
Rolling 12 months	Amount	**$35.8M**	**$2.7M**	**$2.7M**	**$64.9K**	**$1.8K**	**$521.1K**	**$5.4K**	**$2.0M**	**$65.2K**	**$43.8M**
	Transactions	2,314	1,111	101	13	1	12	1	180	7	3,740

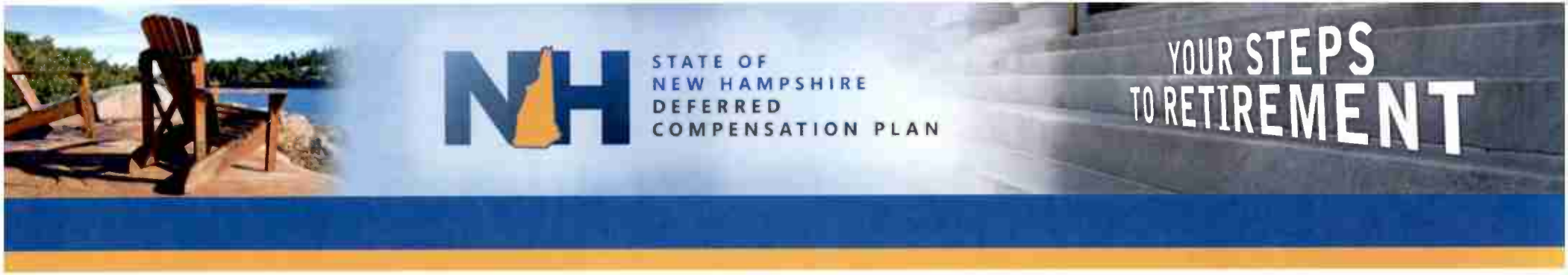
Total distribution amounts by month



Overview

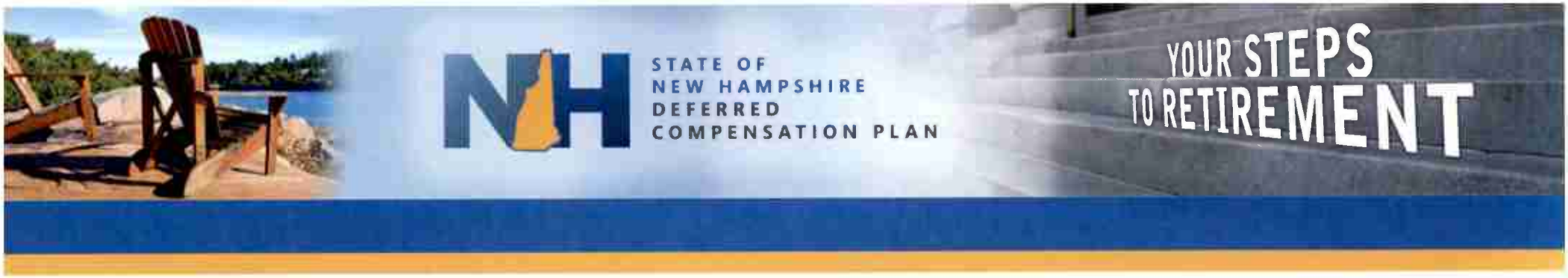
The distribution activity details show the activity for all actively employed and separated from service participants.

[1]The year-to-date and rolling 12 month periods begin when the plan is loaded onto the recordkeeping system. Therefore, the periods may be less than indicated for plans that were recently added.

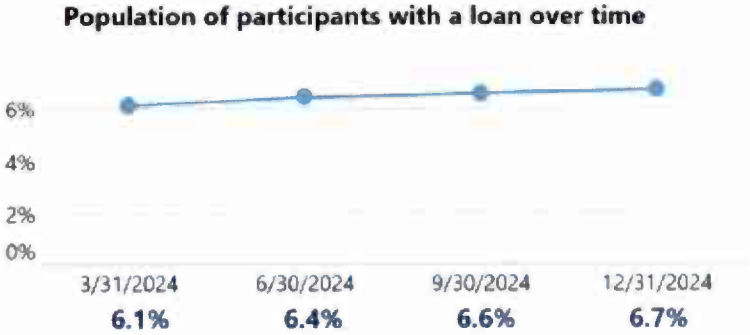


2024 Loans

The NH Deferred Compensation Plan offers employees general purpose loans. Participants can borrow up to 50 percent of their account balance, or $50,000, whichever is lower. Employees are only allowed to have one outstanding loan at a time. The participant must have a minimum account balance of $2,000.

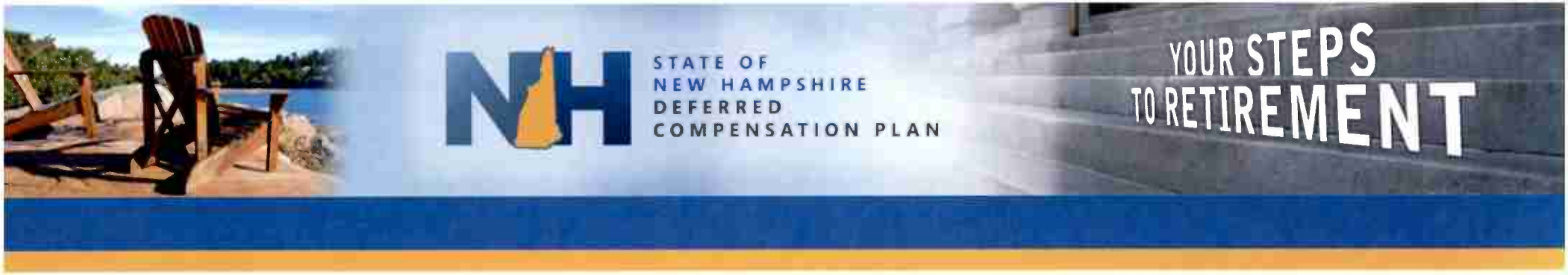


Loans at-a-Glance



	3/31/2024	6/30/2024	9/30/2024	12/31/2024
Average loan balance	$7,004	$7,633	$7,715	$7,545
# of outstanding loans	523	551	567	584
# of participants with a loan	523	551	567	584
Total amount of outstanding loans	$3,663,038	$4,205,665	$4,374,457	$4,406,132
# of outstanding standard loans	523	551	567	584
# of outstanding residential loans	0	0	0	0
# of participants with multiple loans	0	0	0	0

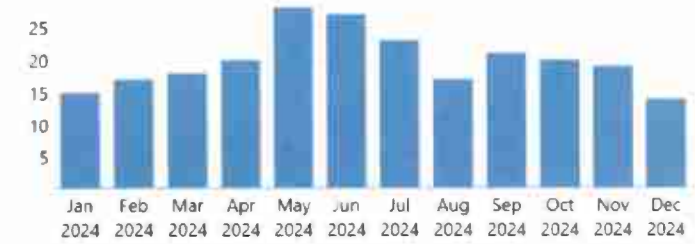
The loan information reflects all outstanding loans for actively employed and separated from service participants. Outstanding loan amounts include new loans issued for the given time period. Loans that have been categorized as a distribution are not included.



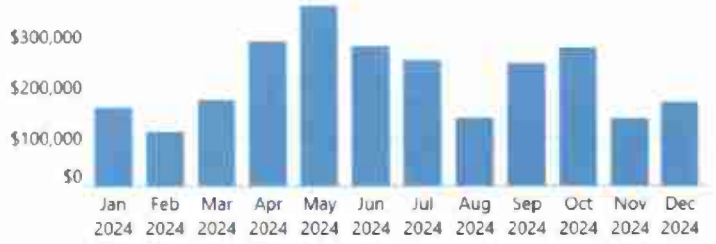
Loan Activity

as of 12/31/2024

# of new loans



$ of new loans

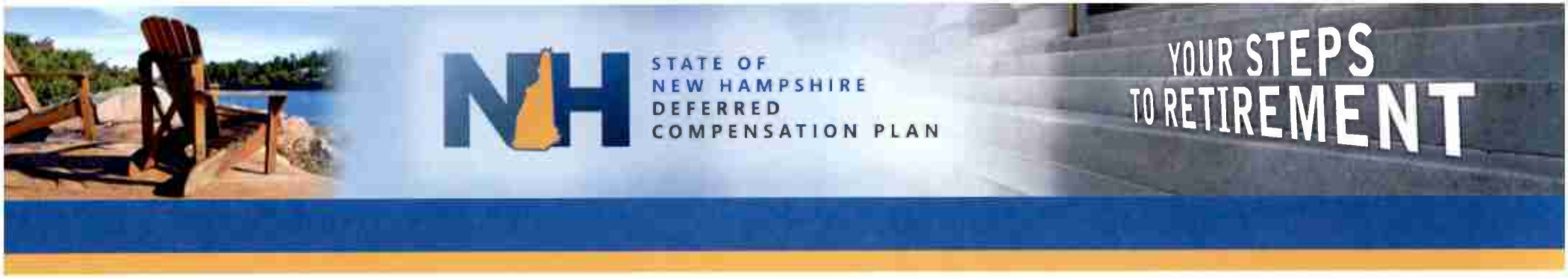


Overview

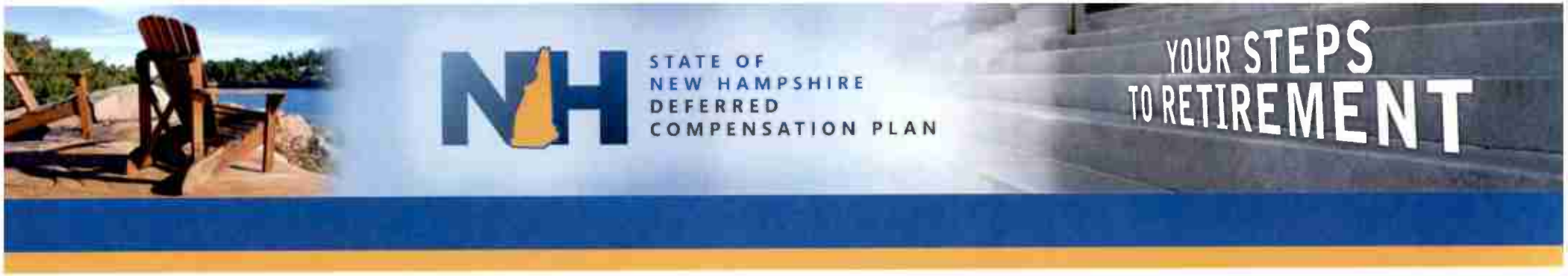
The loan activity reflects all new loans issued for the given time period. When loans are refinanced, the loans issued amount will include the refinanced amount and the prior outstanding balance.

New loan activity details

	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
# of new standard loans issued	15	17	18	20	28	27	23	17	21	20	19	14
$ of new standard loans issued	$160,204	$108,591	$175,294	$289,396	$358,585	$280,307	$252,190	$138,083	$246,564	$276,508	$136,811	$169,722



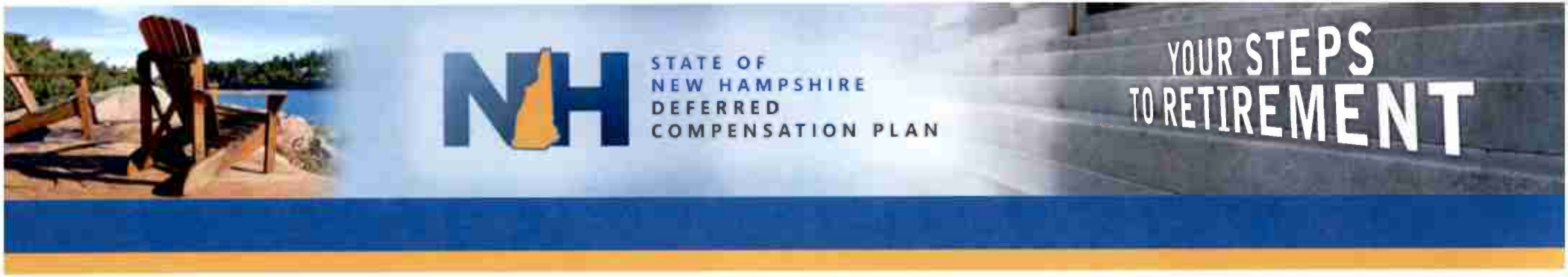
RECORDKEEPING
AND
INVESTMENT ADVISORY SERVICES



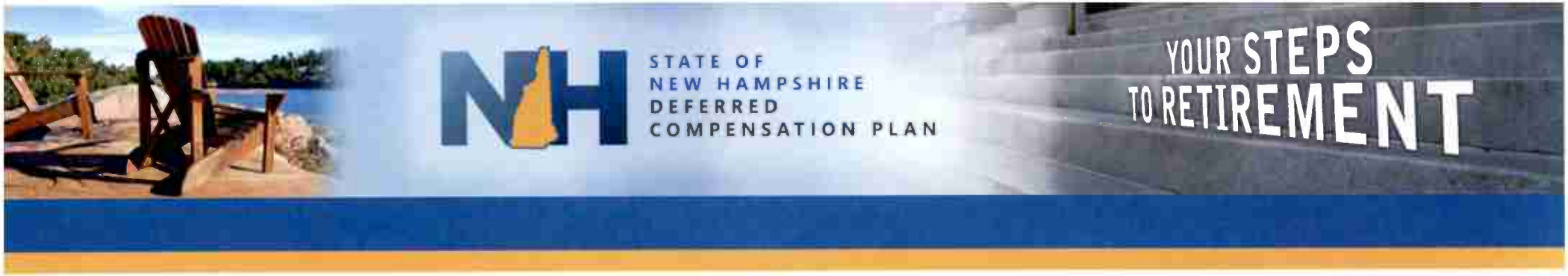
State of New Hampshire Contracts

The Deferred Compensation Commission has contracted both for Recordkeeping/Account management as well as Investment Advisory Services. These services are solicited for through the State of New Hampshire competitive process and the resulting contracts have been reviewed and approved by the Governor and Executive Council.

- **RECORDKEEPING AND ACCOUNT MANAGEMENT:**
  - NHDCP has a contract with Empower for recordkeeping and account management services.
  - Empower provides administrative, education and communication services to plan participants.
  - Local Retirement Advisors are available to meet with plan participants and provide information to assist participants with making investment decisions to support their retirement goals.
- **Investment Advisory Services:**
  - NHDCP has a contract with NFP Retirement, Inc., an independent investment advisor firm, to provide investment advisory services to the Commission on plan investments.
  - Under NFP's consultation, the Deferred Compensation Commission can ensure lower plan costs and can minimize liability while maximizing plan value for participants.



INVESTMENTS



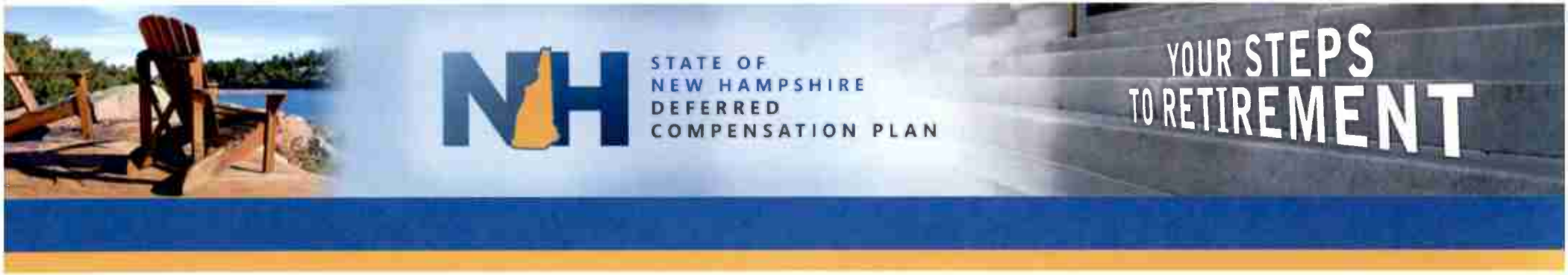
Investment Options

The NH Deferred Compensation Commission works diligently with the plan's contracted Investment Advisory Firm, NFP, to select quality investment options for the Plan, resulting in:

- A large selection of investment options across various asset categories.
- Inclusion of Target Date Funds.
- A stable value fund which invests the majority of its assets in corporate issuers with credit ratings that are deemed investment grade, and US Treasuries.

NFP monitors plan funds quarterly relative to established criteria set forth in the plan's Investment Policy Statement (IPS). This includes an evaluation of performance, risk statistics, style characteristics and fund expenses.

In plan year 2024 no funds were removed or replaced in accordance with the plan's IPS.



Self-Directed Brokerage Account (SDBA)

A Self-Directed Brokerage Account option is available to participants giving them access to thousands of mutual funds, EFTs and stocks beyond the core options provided within the NHDCP.

- Securities offered through Schwab, Inc.
- Transaction and investment company fees will apply for the investment options in which a participant chooses to invest
- Online and phone service available

The SDBA option is intended for knowledgeable investors who acknowledge and understand the risks associated with the investments contained in the SDBA.

STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

Asset Allocation by Fund

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

		As of 12/31/2024	
Asset Class	**Investment Option**	**Total Balance**	**Participants**
Asset Allocation	T. Rowe Price Retirement 2005 Fund	$1,220,384	54
	T. Rowe Price Retirement 2010 Fund	$1,425,001	37
	T. Rowe Price Retirement 2015 Fund	$1,347,973	42
	T. Rowe Price Retirement 2020 Fund	$7,750,948	137
	T. Rowe Price Retirement 2025 Fund	$13,417,531	282
	T. Rowe Price Retirement 2030 Fund	$16,477,890	443
	T. Rowe Price Retirement 2035 Fund	$10,947,482	353
	T. Rowe Price Retirement 2040 Fund	$14,957,037	430
	T. Rowe Price Retirement 2045 Fund	$6,640,893	347
	T. Rowe Price Retirement 2050 Fund	$8,475,085	402
	T. Rowe Price Retirement 2055 Fund	$8,434,933	585
	T. Rowe Price Retirement 2060 Fund	$543,841	93
	T. Rowe Price Retirement 2065 Fund	$281,854	67

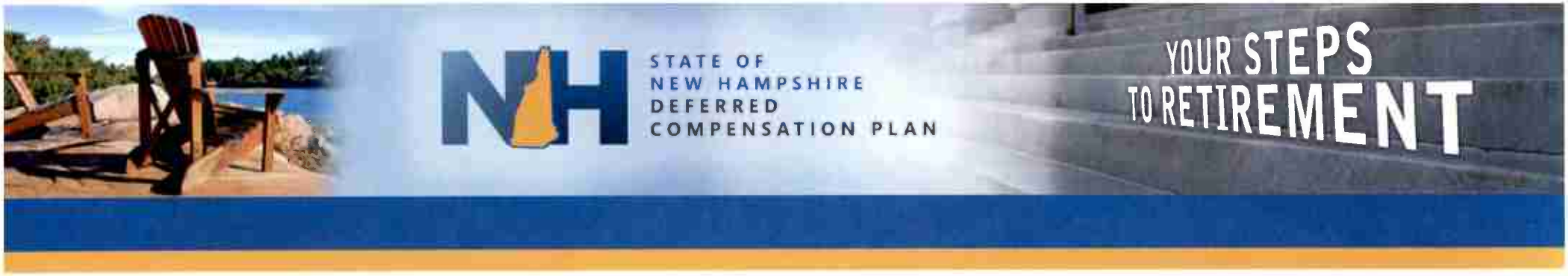
STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

Asset Allocation by Fund

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

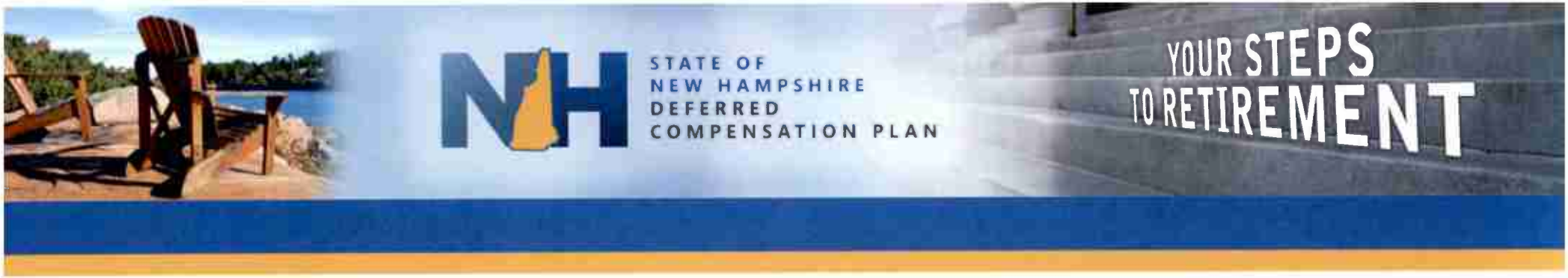
		As of 12/31/2024	
Asset Class	**Investment Option**	**Total Balance**	**Participants**
Balanced	American Funds American Balanced R6	$21,144,886	3,287
	Impax Sustainable Alloc Invst	$6,281,711	2,835
Bond	Dodge & Cox Income Fund Class X	$26,715,463	3,622
	Fidelity US Bond Index	$16,067,006	2,525
Brokerage	Schwab SDB Securities	$2,458,661	25
	Schwab SDB Securities Roth	$215,711	4
	Schwab SDB Sweep Program	$202,329	25
	Schway SDB Sweep Program Roth	$1,621	4
Guarenteed Life Income	Empower SecureFoundation Bal Inst	$388,002	10
International	American Funds Capital World G/I R6	$20,808,232	3,353
	MFS International Diversification R4	$13,538,548	3,358
	Vanguard Total Intl Stock Index I	$20,439,700	2,943
Large Cap	ClearBridge Large Cap Growith IS	$27,572,114	2,617
	Fidelity 500 Index	$67,963,280	3,837
	Fidelity Contrafund K6	$15,330,989	2,696
	JPMorgan Equity Income R6	$10,212,541	2,920
	Vanguard Divident Growth Inv	$31,189,352	3,656



Asset Allocation by Fund

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

		As of 12/31/2024	
Asset Class	**Investment Option**	**Total Balance**	**Participants**
Mid Cap	American Cenury Mid Cap Value R6	$5,580,760	847
	BlackRock Mid-Cap Growth Equity Instl	$11,897,020	581
	Vanguard Mid Cap Index Ins	$21,050,380	3,274
Small Cap	Goldman Sachs Small Cp Val Insights Inv	$9,043,145	2,198
	Janus Henderson Venture N	$3,676,296	342
	Vanguard Small Cap Index Instl	$28,426,642	3,513
Stable Value	New Hampshire Stable Value Fund	$96,254,512	3,856



Investment Strategy Utilization

Empower Advisory Services, provided by Empower Advisory Group, LLC, a registered investment adviser, offers unique services for different investor profiles and personalities.

- Online Advice for help-me-do-it investors is a self-service tool that will take the asset allocation recommendation one step further by picking from the investment options available within the Plan for you.
- My Total Retirement™ is a "full service" option for the do-it-for-me investor. With My Total Retirement, the participant turns the work over to professionals who develop an investment strategy tailored to individual needs and goals.
- A Self-Directed Brokerage Account option is available through Schwab, Inc, giving your participants access to thousands of other mutual funds, ETFs and stocks beyond the core options in the NHDCP.

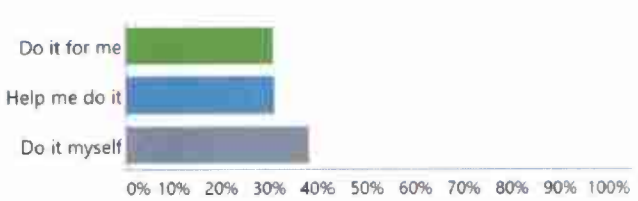
STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

Investment strategy utilization

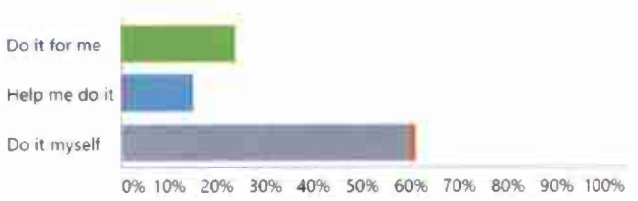
As of 12/31/2024

Participants by strategy



Investment strategy	% of participants	# of participants
My Total Retirement	30.9%	2,696
Online Advice	0.2%	17
Target-date strategy	30.2%	2,631
Risk-based strategy	0.6%	52
Brokerage strategy	0.3%	25
Do-it-yourself strategy	37.8%	3,297

Participant assets by strategy



Investment strategy	% of assets	Assets	Average balance
My Total Retirement	23.9%	$131,154,305	$48,648
Online Advice	0.3%	$1,481,447	$87,144
Target-date strategy	14.0%	$76,790,768	$29,187
Risk-based strategy	0.9%	$4,724,883	$90,863
Brokerage strategy	1.3%	$7,199,938	$287,998
Do-it-yourself strategy	59.6%	$327,028,412	$99,190

Do-it-yourself strategy is the investment strategy utilized by the most participants with 37.8% of participants using this strategy.

However, this strategy holds a larger share of assets with 59.6% of assets.

Overview

The investment strategy utilization is based on all participants that have a balance greater than $0. Each participant is assigned a single investment strategy to provide insights on how investment options, features, and services are being utilized.

When a participant is assigned a strategy, 100% of their balance is grouped within that strategy even if they have a diverse investment mix. Additionally, each participants' strategy is reevaluated and assigned every month so a participant may move in and out of the different strategies from month to month.

For the full list of investment strategies and their definitions, please refer to the glossary.

STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

PARTICIPANT ENGAGEMENT

The more participants engage with their accounts, the more likely they are to take actions such as increasing their contribution amounts, managing their investment risk, and self-educating. These actions all support long-term retirement and financial health. NHDCP engagement occurs through multiple venues including the NHDC.com website, the local Retirement Advisor team, and special campaigns.

A recurring annual endeavor is **National Retirement Security Month**, a campaign for which the NHDCP is particularly focused on measuring associated outcomes. The 2024 campaign- the "Peak of financial wellness" aimed to encourage NHDCP participants to save more, restart/stay in the plan and promote the available online tools.

STATE OF NEW HAMPSHIRE DEFERRED COMPENSATION PLAN

YOUR STEPS TO RETIREMENT

National Retirement Security Month Campaign 2024

Objective

Encourage NHDCP participants to save more, restart/stay in the plan and promote online tools

Components

- Email (10/7, 10/15, and 10/31)
- Web
- Poster

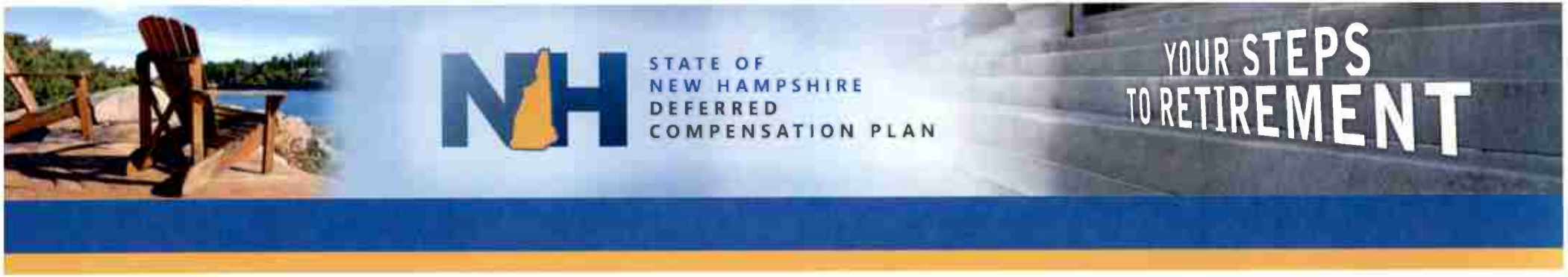
Audience

All participants in the NHDCP

Metrics

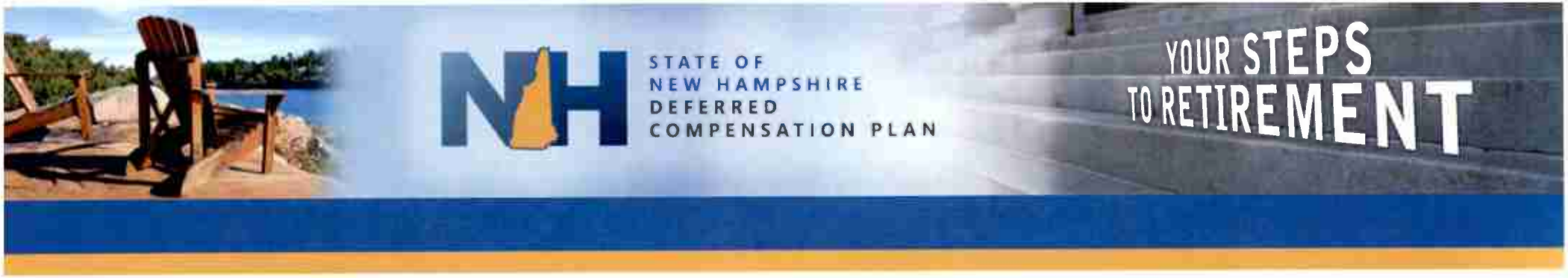
Date	# of Emails	Open rate	Click-to-open-rate
10/7 Save More	2,709	1,519 (56%)	0.7%
10/15 Meet with RPA	4,727	2,494 (53%)	0.69%
10/31 Online Tools	4,722	2,456 (52%)	3%

- TT Link Clicks: 20
- QR code scans from posters: 4



PLAN PARTNERS

Under NH RSA 101-B any political subdivision of the state may join the New Hampshire Deferred Compensation Plan, or they may sponsor a plan on their own. By adopting the State plan, these political subdivisions can enjoy benefits such as access to collective resources, streamlined administration, and potential cost savings through economies of scale. Additionally, the State provides fiduciary oversight of the plan.



The entities listed below are participating in the New Hampshire Deferred Compensation Plan (NHDCP):

CITIES

Concord, Keene, Portsmouth, Rochester, Somersworth

COUNTIES

Belknap, Carroll, Grafton, Merrimack, Rockingham

TOWNS

Barrington, Deerfield, Dublin, Dunbarton, Durham, Exeter, Fitzwilliam, Gorham, Greenland, Henniker, Hopkinton, Kensington, Litchfield, Loudon, New Durham, Newington, Newmarket, Rye, Sugar Hill, Washington

SCHOOL DISTRICTS

SAU 5- Oyster River, SAU 29- Keene/Chesterfield, SAU 39- Amherst/ Mont Vernon/Souhegan, SAU 50- Greenland/Newington/Rye/New Castle, SAU 70- Dresden/Hanover

SPECIAL DISTRICTS

Capital Area Mutual Aid Fire, Lakes Region Mutual Fire Aid, Tilton-Northfield Fire District

SPECIAL ENTITIES

Berlin Housing Authority, Dunbarton Library, NH Retirement System, Pease Development and Port Authority, Southern NH Planning Commission