



140 East Town Street / Columbus, Ohio 43215-5164 / Tel. (614) 228-2975 / www.op-f.org

December 12, 2022

Ms. Bethany Rhodes
Director/General Counsel
Ohio Retirement Study Council
30 E. Broad St
2nd Floor
Columbus, OH 43215

RE: OP&F's 2023 Proposed Budgets

Dear Ms. Rhodes:

Pursuant to Revised Code Section 742.10 (D), the Ohio Police & Fire Pension Fund (OP&F) forwarded the 2023 proposed Administrative Operating, and 2023 Capital budgets for OP&F in the format required on October 7, 2022. OP&F's Board of Trustees reviewed the budgets at their meetings from September – December and the Board adopted the proposed budgets on December 7, 2022, with two updates noted in the board packet and in red on the form.

Please feel free to contact me if you need additional information or have any questions.

Sincerely,

Mary Beth Foley

Mary Beth Foley, Esq.
Executive Director

Enclosure: 2023 Proposed Budgets (updated)

Cc: Pamela Vest Boratyn

Ohio Police and Fire Pension Fund

2023 ORSC Budget Presentation

FY2022 to FY2023 Operating Budget and Increase (Decrease)

Budget category	2023 Budget	2022 Budget	2022 Estimated Actual	2022-2023 Increase (Decrease)	Percent Change (2022 to 2023)
Personnel	\$ 18,733,665	\$ 17,771,543	\$ 16,696,951	\$ 962,122.00	5.4%
Salaries and Wages	\$ 12,474,458	\$ 11,412,623	\$ 10,961,039	\$ 1,061,835.00	9.3%
PERS Contributions	\$ 1,799,438	\$ 1,658,998	\$ 1,596,898	\$ 140,440.00	8.5%
Health Insurance	\$ 3,627,057	\$ 3,915,417	\$ 3,191,563	\$ (288,360.00)	-7.4%
Miscellaneous Expenses	\$ 832,712	\$ 784,505	\$ 947,451	\$ 48,207.00	6.1%
Professional Services	\$ 4,903,597	\$ 5,172,271	\$ 4,195,253	\$ (268,674.00)	-5.2%
Actuarial	\$ 350,000	\$ 350,000	\$ 295,246	\$ -	0.0%
Audit	\$ 170,000	\$ 165,000	\$ 164,952	\$ 5,000.00	3.0%
Custodial Banking Fees	\$ 480,000	\$ 570,000	\$ 435,732	\$ (90,000.00)	-15.8%
Investment Consulting	\$ 2,130,713	\$ 2,380,311	\$ 1,947,106	\$ (249,598.00)	-10.5%
Other Consulting	\$ 1,689,184	\$ 1,628,960	\$ 1,269,387	\$ 60,224.00	3.7%
Banking Expenses	\$ 83,700	\$ 78,000	\$ 82,830	\$ 5,700.00	7.3%
Communications Expense	\$ 471,320	\$ 390,140	\$ 359,571	\$ 81,180.00	20.8%
Printing and Postage	\$ 349,250	\$ 299,300	\$ 279,204	\$ 49,950.00	16.7%
Telecommunications	\$ 109,500	\$ 85,000	\$ 78,927	\$ 24,500.00	28.8%
Member/Employer Education	\$ 12,570	\$ 5,840	\$ 1,440	\$ 6,730.00	115.2%
Other Operating Expenses	\$ 2,920,806	\$ 2,895,289	\$ 2,573,754	\$ 25,517.00	0.9%
Conferences and Education	\$ 149,556	\$ 154,820	\$ 44,753	\$ (5,264.00)	-3.4%
Travel	\$ 186,365	\$ 135,860	\$ 80,964	\$ 50,505.00	37.2%
Computer Technology	\$ 1,673,710	\$ 1,681,647	\$ 1,632,654	\$ (7,937.00)	-0.5%
Other Operating	\$ 785,875	\$ 815,102	\$ 706,138	\$ (29,227.00)	-3.6%
Ohio Retirement Study Council	\$ 60,000	\$ 60,000	\$ 47,523	\$ -	
TOS Warrant Clearing Charges	\$ 300	\$ 360	\$ 309	\$ (60.00)	-16.7%
Attorney General Charges	\$ 65,000	\$ 47,500	\$ 61,413	\$ 17,500.00	36.8%
Net Building Expense	\$ 1,319,300.00	\$ 1,356,350	\$ 1,228,018	\$ (37,050.00)	-2.7%
Total Operating Budget	\$ 28,348,688	\$ 27,585,593	\$ 25,053,547	\$ 763,095.00	2.8%
Full-Time Equivalent (FTE) Associates	140	142			

Ohio Police and Fire Pension Fund

2023 ORSC Budget Presentation

FY2023 to FY2022 Capital Budget

	2023 Budget (includes carryover from previous years)	2022 Budget	2022 Estimate
Total Capital Budget	\$ 5,203,259	\$ 9,450,416	\$ 3,767,506
Office Building	\$ -	\$ -	\$ -
Furniture and Equipment	\$ 30,000	\$ 30,000	\$ -
Computer Technology	\$ 5,173,259	\$ 9,420,416	\$ 3,767,506

Investment Expenses

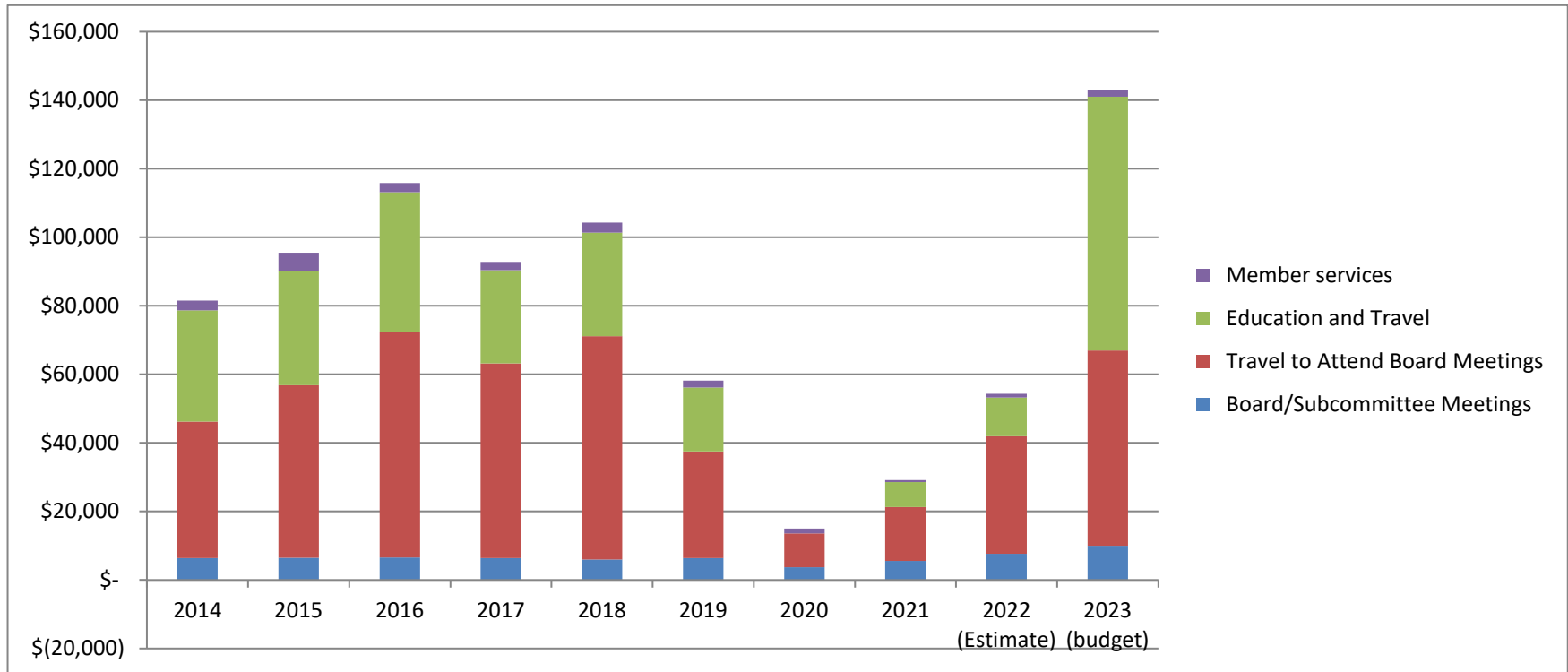
	2021 Actual	2020 Actual	Percent Change (2020 to 2021)
Total Investment Assets	\$ 19,826,637,571	\$ 17,315,206,548	14.50%
Total Internally Managed Assets	\$ -	\$ 798,690,349	-100.00%
Total Externally Managed Assets	\$ 19,826,637,571	\$ 16,516,516,199	20.04%
Total Investment Expenses	\$ 57,237,195	\$ 49,342,933	16.00%
Total Internal Investment Expenses	\$ -	\$ 92,455	-100.00%
Total External Investment Expenses	\$ 52,694,824	\$ 44,155,480	19.34%
Investment Consulting	\$ 1,678,734	\$ 1,679,218	-0.03%
Brokerage/Commissions-Internal	\$ -	\$ -	0.00%
Brokerage/Commissions-External	\$ 2,401,352	\$ 2,816,145	-14.73%
Custodian Fees	\$ 462,285	\$ 599,635	-22.91%
Total Investment Expenses as a % of Total Investment Assets	0.29%	0.28%	0.00%
Expenses as % of Internally Managed*	0.00%	0.01%	-0.01%
Expenses as % of Externally Managed*	0.29%	0.30%	-0.01%

*Excludes Investment Consulting and Custodian Fees

Ohio Police and Fire Pension Fund
2023 ORSC Budget Presentation

Board Member Expenses

	2014	2015	2016	2017	2018	2019	2020	2021	2022 (Estimate)	2023 (budget)
Total Board Expenses	\$ 81,557	\$ 95,497	\$ 115,817	\$ 92,831	\$ 104,280	\$ 58,205	\$ 14,986	\$ 29,151	\$ 54,327	\$ 143,000
Board/Subcommittee Meetings	\$ 6,411	\$ 6,492	\$ 6,586	\$ 6,379	\$ 6,014	\$ 6,388	\$ 3,714	\$ 5,556	\$ 7,684	\$ 10,000
Travel to Attend Board Meetings	\$ 39,779	\$ 50,356	\$ 65,641	\$ 56,799	\$ 65,131	\$ 31,173	\$ 9,904	\$ 15,737	\$ 34,248	\$ 57,000
Education and Travel	\$ 32,488	\$ 33,271	\$ 40,897	\$ 27,242	\$ 30,198	\$ 18,585	\$ (34)	\$ 7,270	\$ 11,320	\$ 74,000
Member services	\$ 2,879	\$ 5,378	\$ 2,693	\$ 2,411	\$ 2,937	\$ 2,059	\$ 1,402	\$ 588	\$ 1,075	\$ 2,000



Ohio Police and Fire Pension Fund

2023 ORSC Budget Presentation

Staff Training and Travel (Budget to Budget)

	2023	2022	Increase (Decrease)	% Increase (Decrease)
Administration				
Conferences, Seminars & Travel	\$ 80,236	\$ 58,570	\$ 21,666	37.0%
In-House Training	\$ 10,000	\$ 10,000	\$ -	0.0%
#FTE	42	19	23	121.1%
Expense per FTE	\$ 2,148	\$ 3,609	\$ (1,460)	-40.5%

	2023	2022	Increase (Decrease)	% Increase (Decrease)
Finance				
Conferences, Seminars & Travel	\$ 12,100	\$ 12,400	\$ (300)	-2.4%
In-House Training	\$ -	\$ -	\$ -	0
#FTE	35	23	12	52.2%
Expense per FTE	\$ 346	\$ 539	\$ (193)	-35.9%

	2023	2022	Increase (Decrease)	% Increase (Decrease)
Investments				
Conferences, Seminars & Travel	\$ 18,920	\$ 23,460	\$ (4,540)	-19.4%
In-House Training	\$ -	\$ -	\$ -	0.0%
#FTE	15	16	(1)	-6.3%
Expense per FTE	\$ 1,261	\$ 1,466	\$ (205)	-14.0%

	2023	2022	Increase (Decrease)	% Increase (Decrease)
Information Technology				
Conferences, Seminars & Travel	\$ 70,295	\$ 81,115	\$ (10,820)	-13.3%
In-House Training	\$ -	\$ -	\$ -	0.0%
#FTE	26	27	(1.00)	-3.7%
Expense per FTE	\$ 2,704	\$ 3,004	\$ (301)	-10.0%

	2023	2022	Increase (Decrease)	% Increase (Decrease)
Member Services				
Conferences, Seminars & Travel	\$ 3,240	\$ 4,800	\$ (1,560)	-32.5%
In-House Training	\$ -	\$ -	\$ -	0.0%
#FTE	24	57	(33)	-57.9%
Expense per FTE	\$ 135	\$ 84	\$ 51	60.3%

Ohio Police and Fire Pension Fund

2023 ORSC Budget Presentation

Supplementary Statistical Information

	2018	2019	2020	2021	2022*
Active Members	28,212	28,904	29,340	29,138	29,400
Inactive Members	3,610	3,693	3,872	4,156	4,200
Benefit Recipient (Age, Dis., Survivor)	29,361	29,566	29,780	30,147	30,900
Re-employed Retirees	196	183	211	225	230
Total Membership	61,379	62,346	63,203	63,666	64,730

Members Per FTE	420	421	427	439	456
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* Estimate