

Highway Patrol Retirement System 2013 Budget Presentation

Ohio Retirement Study Council

October 1, 2012



Mark R. Atkeson
Executive Director

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Ms. Bethany Rhodes, Director
Ohio Retirement Study Council
88 East Broad Street, Suite 1175
Columbus, OH 43215-3506

Dear Ms. Rhodes,

In accordance with Section 5505.062 of the Ohio Revised Code, HPRS is submitting the 2013 calendar year budget. The attached reports are in the agreed upon format adopted by the Ohio retirement systems.

Compared to 2012, the internal operating budget for 2013 will increase by 11.5%. However, this comes on the heels of a 7.3% reduction in 2012. In fact, the 2013 budget is only 2.6% above the 2011 budget. Most of the 2013 increase is due to the addition of two new staff positions: Administrative Assistant and In-House Legal Counsel. Other less significant budget increases are included in the Audit and Investment Consulting line items within the Professional Services group. The increase for Audits is due to the addition of an annual Internal Audit conducted by the Summit County Internal Audit Department. Investment Consulting expenses are expected to rise due to additional work by our Investment Consultant to comply with the recommendations from the fiduciary audit performed by Hewitt Ennis Knupp in 2010.

Nearly all other line items reflect a reduction in 2013. The Professional Services, Communications Expense, and Other Operating Expenses display an overall reduced budget.

Please contact me if you would like additional information.

Sincerely,

Mark R. Atkeson
Executive Director
matkeson@ohprs.org

**Budget Presentation to ORSC
Highway Patrol Retirement System
Budget Comparison**

	2013		2012		Increase	
	<u>Budget</u>	<u>%</u>	<u>Budget</u>	<u>%</u>	<u>(Decrease)</u>	<u>%</u>
Board Meeting Expenses						
Board/Subcommittee meetings	\$ 4,500	17%	\$ 4,950	17%	\$ (450)	-9%
Board travel to attend Board meetings	3,000	11%	3,600	12%	(600)	-17%
Board education and travel	18,500	70%	18,700	63%	(200)	-1%
Other (subscriptions)	500	2%	2,200	7%	(1,700)	-77%
Total Board Expenses	\$ 26,500	100%	\$ 29,450	100%	\$ (2,950)	-10%

**Budget Presentation to ORSC
Highway Patrol Retirement System
Investment Management Fees**

Investment Assets

Total Internally Managed Assets

Total Externally Managed Assets

Total Investment Assets

Investment Expenses

Total Internal Investment Expenses

Total External Investment Expenses

Investment Consulting

Brokerage/Commissions

Custodian Fees

Total Investment Expenses

Total Investment Expenses as a % of Total Investment Assets

	2011 Actual	2010 Actual	2009 Actual	2008 Actual
\$ 2,325,000	\$ 2,325,000	\$ 3,642,000	\$ 4,145,000	
686,464,183	736,921,776	663,773,938	562,527,160	
\$ 688,789,183	\$ 739,246,776	\$ 667,415,938	\$ 566,672,160	
\$ 9,911	\$ 10,805	\$ 12,095	\$ 45,166	
4,575,441	4,429,911	4,025,493	4,034,417	
220,966	232,250	214,838	235,496	
127,059	147,890	115,263	156,124	
46,696	53,411	40,528	53,349	
\$ 4,980,073	\$ 4,874,267	\$ 4,408,217	\$ 4,524,552	
	0.72%	0.66%	0.66%	0.80%

**Budget Presentation to ORSC
Highway Patrol Retirement System
Statistical Information**

Description	2012 At Sep. 20, 2012	2011	2010	2009	2008
Employees (full-time equivalents)	10	8	8	9	9
Active Members	1,511	1,494	1,537	1,547	1,544
Inactive Members	9	6	3	5	9
Benefit Recipients	1,494	1,456	1,424	1,385	1,371

**Budget Presentation to ORSC
Highway Patrol Retirement System
Staff Travel and Training**

Staff Travel	2013 Budget	2012 Budget	2011 Actual	Budgeted % Change
Executive	\$ 4,000	\$ 4,650	\$ 1,173	-14.0%
# FTE's	1	1	1	
Finance	500	1,395	152	-64.2%
# FTE's	2	2	3	
Legal	1,500	-	-	0
# FTE's	1	-	-	
Member Services	500	62	1	706.5%
# FTE's	4	3	2	
Real Estate	500	93	-	437.6%
# FTE's	2	2	3	
Total	\$ 7,000	\$ 6,200	\$ 1,326	12.9%
Total # FTE's	10	8	8	
Travel Expense/FTE	\$ 700	\$ 775	\$ 166	

Staff Training	2013 Budget	2012 Budget	2011 Actual	Budgeted % Change
Executive	\$ 1,500	\$ 1,656	\$ 499	-9.4%
# FTE's	1	1	1	
Finance	500	1,584	-	-68.4%
# FTE's	2	2	-	
Legal	500	-	-	0
# FTE's	1	-	-	0
Member Services	500	360	-	38.9%
# FTE's	3	3	-	
Real Estate	500	-	-	-
# FTE's	2	2	-	
Total	\$ 3,000	\$ 3,600	\$ 499	-16.7%
Total # FTE's	10	8	8	
Travel Expense/FTE	\$ 300	\$ 450	\$ 62	