



September 25, 2019

Ms. Bethany Rhodes
Ohio Retirement Study Council
30 E. Broad Street, 2nd Floor
Columbus, Ohio 43215

Dear Ms. Rhodes:

In accordance with Section 5505.062 of the Ohio Revised Code, HPRS is submitting its 2020 calendar year budget. The attached reports are in the agreed upon format adopted by the Ohio retirement systems.

Compared to 2019, the internal operating budget for 2020 reflects an increase of 8.94%. The primary drivers of this overall increase are the projected five-year actuarial experience study, the projected ORSC actuarial audit, and my expected unused leave payout upon retirement. Because these expenses only occur in 2020, the 2021 budget should see a significant decrease. Most other categories have remained static with some only increasing slightly compared to 2019.

Please contact me if you would like additional information.

Sincerely,

Mark Atkeson
Executive Director
Ohio Highway Patrol Retirement System
614-430-3557
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FY2019 to FY2020 Operating Budget and Increase (Decrease)

Budget category	2020 Budget	2019 Budget	2019 Estimated Actual	2019-20 Increase (Decrease)	Percent Change (2019 to 2020)
Personnel	\$ 1,133,658	\$ 1,064,702	\$ 1,039,752	\$ 68,956	6.48%
Salaries and Wages	\$ 724,800	\$ 718,000	\$ 712,921	\$ 6,800	0.95%
PERs Contributions	\$ 101,472	\$ 100,520	\$ 99,809	\$ 952	0.95%
Health Insurance	\$ 211,076	\$ 210,531	\$ 196,381	\$ 545	0.26%
Miscellaneous Expenses	\$ 96,310	\$ 35,651	\$ 30,641	\$ 60,659	170.15%
Professional Services	\$ 662,750	\$ 558,795	\$ 535,330	\$ 103,955	18.60%
Actuarial	\$ 200,000	\$ 98,000	\$ 90,000	\$ 102,000	104.08%
Audit	\$ 48,000	\$ 48,000	\$ 45,000	\$ -	0.00%
Custodial Banking Fees	\$ 69,750	\$ 69,750	\$ 64,830	\$ -	0.00%
Investment Consulting	\$ 285,000	\$ 285,000	\$ 280,000	\$ -	0.00%
Other Consulting	\$ 60,000	\$ 58,045	\$ 55,500	\$ 1,955	3.37%
Banking Expenses	\$ -	\$ -	\$ -	\$ -	0.00%
Communications Expense	\$ 32,500	\$ 31,200	\$ 30,169	\$ 1,300	4.17%
Printing and Postage	\$ 12,000	\$ 11,000	\$ 11,000	\$ 1,000	9.09%
Telecommunications	\$ 14,500	\$ 14,200	\$ 14,169	\$ 300	2.11%
Member/Employer Education	\$ 6,000	\$ 6,000	\$ 5,000	\$ -	0.00%
Other Operating Expenses	\$ 232,750	\$ 230,905	\$ 202,848	\$ 1,845	0.80%
Conferences and Education	\$ 13,000	\$ 12,200	\$ 11,000	\$ 800	6.56%
Travel	\$ 28,500	\$ 28,000	\$ 20,000	\$ 500	1.79%
Computer Technology	\$ 87,000	\$ 96,500	\$ 75,000	\$ (9,500)	-9.84%
Other Operating	\$ 88,000	\$ 77,500	\$ 82,188	\$ 10,500	13.55%
Ohio Retirement Study Council	\$ 3,500	\$ 3,500	\$ 2,620	\$ -	0.00%
TOS Warrant Clearing Charges	\$ 250	\$ 250	\$ 40	\$ -	-
Attorney General Charges	\$ 12,500	\$ 12,955	\$ 12,000	\$ (455)	-3.51%
Net Building Expense	\$ 125,500	\$ 122,000	\$ 121,500	\$ 3,500	2.87%
Total Operating Budget	\$ 2,187,158	\$ 2,007,602	\$ 1,929,599	\$ 179,556	8.94%
Full-Time Equivalent (FTE) Associates	8	8			

FY2019 to FY2020 Capital Budget

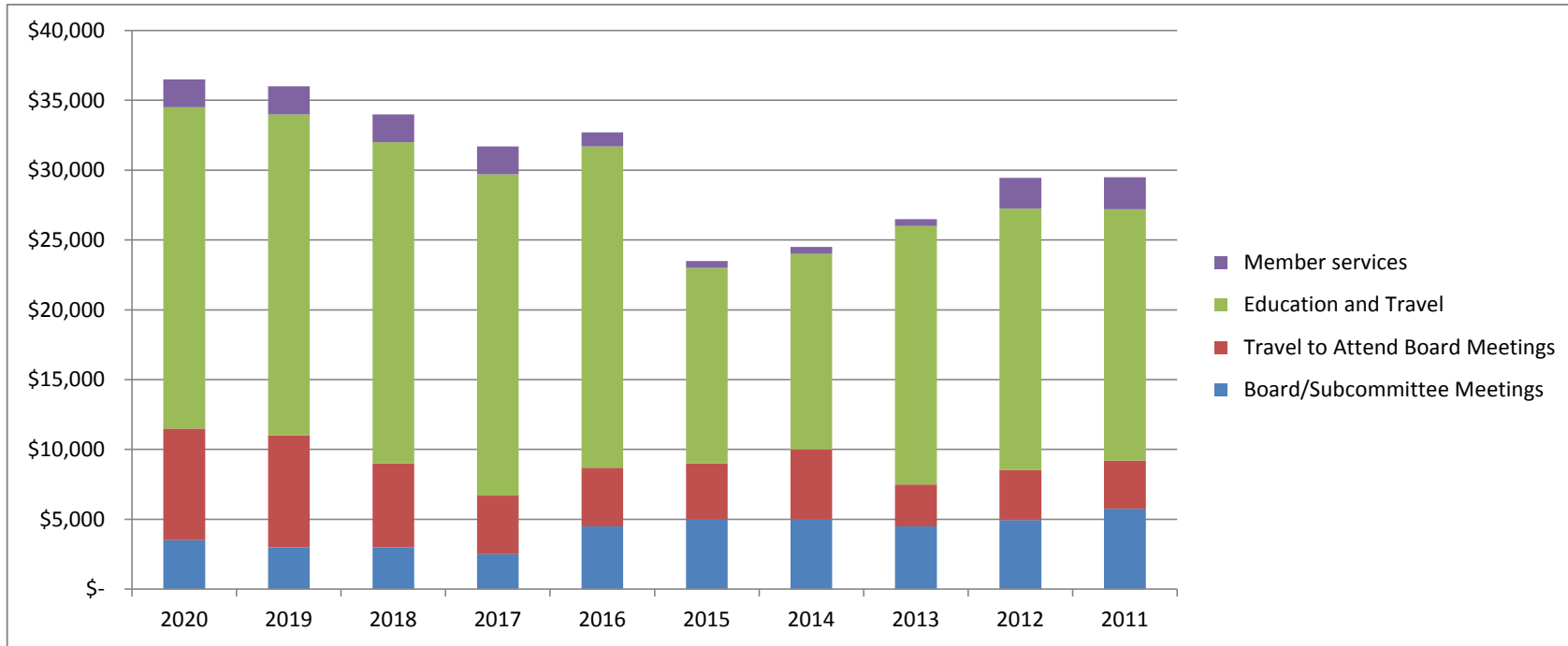
	2020 Budget (includes carryover from previous years)	2019	2019 Estimate
Total Capital Budget	\$ 15,000	\$ 15,000	\$ -
IT Assets	\$ 15,000	\$ 15,000	\$ -

Investment Expenses

	2018 Actual	2017 Actual	Percent Change (2017 to 2018)
Total Investment Assets	809,316,553	880,461,969	-8.08%
Total Internally Managed Assets	-	-	0.00%
Total Externally Managed Assets	809,316,553	880,461,969	-8.08%
Total Investment Expenses	7,744,444	6,248,180	23.95%
Total Internal Investment Expenses	12,150	10,739	-
Total External Investment Expenses	7,353,784	5,868,466	25.31%
Investment Consulting	283,795	272,517	4.14%
Brokerage/Commissions-Internal	-	-	0.00%
Brokerage/Commissions-External	32,477	31,637	2.66%
Custodian Fees	62,238	64,821	-3.98%
Total Investment Expenses as a % of Total Investment Assets	0.96%	0.71%	34.84%
Expenses as % of Internally Managed			
Expenses as % of Externally Managed	0.96%	0.71%	34.84%

Board Member Expenses

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Board Expenses	\$ 36,500	\$ 36,000	\$ 34,000	\$ 31,700	\$ 32,700	\$ 23,500	\$ 24,500	\$ 26,500	\$ 29,450	\$ 29,500
Board/Subcommittee Meetings	\$ 3,500	\$ 3,000	\$ 3,000	\$ 2,500	\$ 4,500	\$ 5,000	\$ 5,000	\$ 4,500	\$ 4,950	\$ 5,750
Travel to Attend Board Meetings	\$ 8,000	\$ 8,000	\$ 6,000	\$ 4,200	\$ 4,200	\$ 4,000	\$ 5,000	\$ 3,000	\$ 3,600	\$ 3,450
Education and Travel	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 14,000	\$ 14,000	\$ 18,500	\$ 18,700	\$ 18,000
Member services	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,000	\$ 500	\$ 500	\$ 500	\$ 2,200	\$ 2,300



Staff Training and Travel

	FY2020	FY2019	Increase (Decrease)	% Increase (Decrease)
Administration	\$ 4,000	\$ 4,000	\$ -	0.00%
Conferences & Seminars	\$ 4,000	\$ 4,000	\$ -	0.00%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	1	1	0	0.00%
Traning Expense per FTE	\$ 4,000	\$ 4,000	\$ -	0.00%

	FY2020	FY2019	Increase (Decrease)	% Increase (Decrease)
Finance and Benefits	\$ 6,000	\$ 5,000	\$ 1,000	20.00%
Conferences & Seminars	\$ 6,000	\$ 5,000	\$ 1,000	20.00%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	3	3	0	0.00%
Traning Expense per FTE	\$ 2,000	\$ 1,667	\$ 333	20.00%

	FY2020	FY2019	Increase (Decrease)	% Increase (Decrease)
Investments	\$ 7,500	\$ 6,700	\$ 800	11.94%
Conferences & Seminars	\$ 7,500	\$ 6,700	\$ 800	11.94%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	1	1	0	0.00%
Traning Expense per FTE	\$ 7,500	\$ 6,700	\$ 800	11.94%

	FY2020	FY2019	Increase (Decrease)	% Increase (Decrease)
IT/Information Services	\$ -	\$ -		
Conferences & Seminars				
In-House Training				
#FTE				
Traning Expense per FTE				

	FY2020	FY2019	Increase (Decrease)	% Increase (Decrease)
Member Services	\$ 1,000	\$ 1,500	\$ (500)	-33.33%
Conferences & Seminars	\$ 1,000	\$ 1,500	\$ (500)	-33.33%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	3	3	-	0.00%
Traning Expense per FTE	\$ 333	\$ 500	\$ (167)	-33.33%

Supplementary Statistical Information

	2019*	2018	2017	2016	2015
Active Members	1,655	1,668	1,645	1,671	1,611
Inactive Members	11	9	6	8	8
Benefit Recipient (Age, Dis., Survivor)	1,692	1,684	1,634	1,581	1,542
Re-employed Retirees	0	0	0	0	0
Total Membership	3,358	3,361	3,285	3,260	3,161
Members Per FTE	419.8	420.1	410.6	407.5	395.1

*As of 9/25/19