



September 27, 2017

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

Dear Ms. Rhodes:

In accordance with Section 5505.062 of the Ohio Revised Code, HPRS is submitting its 2018 calendar year budget. The attached reports are in the agreed upon format adopted by the Ohio retirement systems.

Compared to 2017, the internal operating budget for 2018 reflects an increase of 2.68%. The primary drivers of this overall increase are employee salaries and fringe benefits, such as health care. HPRS also purchased cyber insurance this year, which has driven the increase to the "Other Operating" line item. But for these increases, the 2018 HPRS budget would reflect a 0.91% decrease compared to 2017.

Most other categories remained steady or have decreased compared to 2017.

Please contact me if you would like additional information.

Sincerely,

A handwritten signature in black ink that reads "Mark R. Atkeson". The signature is written in a cursive style.

Mark R. Atkeson
Executive Director
direct dial 614.430.3557
matkeson@ohprs.org

Highway Patrol Retirement System 2018 ORSC Budget Presentation

FY2017 to FY2018 Operating Budget and Increase (Decrease)

Budget category	2018 Budget	2017 Budget	2017 Estimated Actual	2017-18 Increase (Decrease)	Percent Change (2017 to 2018)
Personnel	\$ 1,018,045	\$ 948,294	\$ 954,680	\$ 69,751	7.36%
Salaries and Wages	\$ 709,900	\$ 672,000	\$ 675,240	\$ 37,900	5.64%
PERS Contributions	\$ 99,386	\$ 94,080	\$ 94,534	\$ 5,306	5.64%
Health Insurance	\$ 173,665	\$ 157,470	\$ 159,022	\$ 16,195	10.28%
Miscellaneous Expenses	\$ 35,094	\$ 24,744	\$ 25,884	\$ 10,350	41.83%
Professional Services	\$ 564,000	\$ 599,100	\$ 505,901	\$ (35,100)	-5.86%
Actuarial	\$ 95,000	\$ 95,000	\$ 78,000	\$ -	0.00%
Audit	\$ 46,000	\$ 45,500	\$ 45,500	\$ 500	1.10%
Custodial Banking Fees	\$ 69,750	\$ 90,000	\$ 57,516	\$ (20,250)	-22.50%
Investment Consulting	\$ 285,000	\$ 285,000	\$ 270,885	\$ -	0.00%
Other Consulting	\$ 68,250	\$ 81,000	\$ 54,000	\$ (12,750)	-15.74%
Banking Expenses	\$ -	\$ 2,600	\$ -	\$ (2,600)	-100.00%
Communications Expense	\$ 32,200	\$ 32,700	\$ 33,620	\$ (500)	-1.53%
Printing and Postage	\$ 12,000	\$ 12,000	\$ 13,000	\$ -	0.00%
Telecommunications	\$ 14,200	\$ 14,200	\$ 13,620	\$ -	0.00%
Member/Employer Education	\$ 6,000	\$ 6,500	\$ 7,000	\$ (500)	-7.69%
Other Operating Expenses	\$ 227,900	\$ 211,850	\$ 183,112	\$ 16,050	7.58%
Conferences and Education	\$ 12,000	\$ 12,000	\$ 10,600	\$ -	0.00%
Travel	\$ 28,000	\$ 28,000	\$ 22,300	\$ -	0.00%
Computer Technology	\$ 96,400	\$ 96,400	\$ 69,000	\$ -	0.00%
Other Operating	\$ 75,000	\$ 61,700	\$ 64,750	\$ 13,300	21.56%
Ohio Retirement Study Council	\$ 3,500	\$ 3,500	\$ 2,800	\$ -	0.00%
TOS Warrant Clearing Charges	\$ 250	\$ 250	\$ -	\$ -	0.00%
Attorney General Charges	\$ 12,750	\$ 10,000	\$ 13,662	\$ 2,750	27.50%
Net Building Expense	\$ 121,121	\$ 120,000	\$ 116,295	\$ 1,121	0.93%
Total Operating Budget	\$ 1,963,265	\$ 1,911,944	\$ 1,793,608	\$ 51,322	2.68%
Full-Time Equivalent (FTE) Associates	8	8	8		

FY2017 to FY2018 Capital Budget

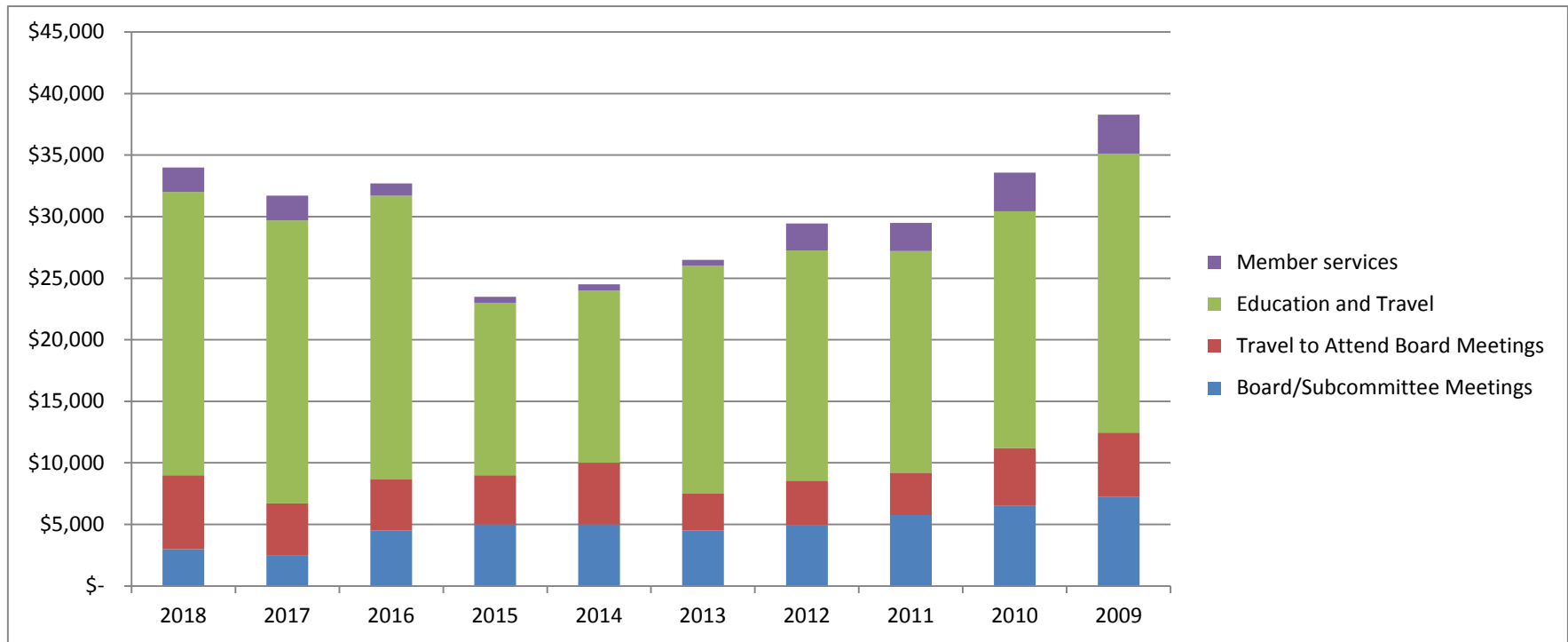
	2018 Budget (includes carryover from previous years)	2017 Budget	2017 Estimate
Total Capital Budget	\$ -	\$ 30,000	\$ 20,000
IT Assets	\$ -	\$ 30,000	\$ 20,000

Investment Expenses

	2016 Actual	2015 Actual	Percent Change (2015 to 2016)
Total Investment Assets	802,932,688	793,737,253	1.16%
Total Internally Managed Assets	-	-	0.00%
Total Externally Managed Assets	802,932,688	793,737,253	1.16%
Total Investment Expenses	5,531,234	5,209,317	6.18%
Total Internal Investment Expenses	11,353	9,753	-
Total External Investment Expenses	5,150,188	4,817,904	6.90%
Investment Consulting	265,330	275,163	-3.57%
Brokerage/Commissions-Internal	-	-	0.00%
Brokerage/Commissions-External	30,934	29,581	4.57%
Custodian Fees	73,429	76,916	-4.53%
Total Investment Expenses as a % of Total Investment Assets	0.69%	0.66%	4.96%
Expenses as % of Internally Managed			
Expenses as % of Externally Managed	0.69%	0.66%	4.96%

Board Member Expenses

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Board Expenses	\$ 34,000	\$ 31,700	\$ 32,700	\$ 23,500	\$ 24,500	\$ 26,500	\$ 29,450	\$ 29,500	\$ 33,579	\$ 38,278
Board/Subcommittee Meetings	\$ 3,000	\$ 2,500	\$ 4,500	\$ 5,000	\$ 5,000	\$ 4,500	\$ 4,950	\$ 5,750	\$ 6,500	\$ 7,263
Travel to Attend Board Meetings	\$ 6,000	\$ 4,200	\$ 4,200	\$ 4,000	\$ 5,000	\$ 3,000	\$ 3,600	\$ 3,450	\$ 4,704	\$ 5,191
Education and Travel	\$ 23,000	\$ 23,000	\$ 23,000	\$ 14,000	\$ 14,000	\$ 18,500	\$ 18,700	\$ 18,000	\$ 19,228	\$ 22,677
Member services	\$ 2,000	\$ 2,000	\$ 1,000	\$ 500	\$ 500	\$ 500	\$ 2,200	\$ 2,300	\$ 3,147	\$ 3,147



Staff Training and Travel

	FY2018	FY2017	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%

	FY2018	FY2017	Increase (Decrease)	% Increase (Decrease)
Finance and Benefits	\$ 5,000	\$ 5,000	\$ -	0.00%
Conferences & Seminars	\$ 5,000	\$ 5,000	\$ -	0.00%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	3	3	0	0.00%
Traning Expense per FTE	\$ 1,667	\$ 1,667	\$ -	0.00%

	FY2018	FY2017	Increase (Decrease)	% Increase (Decrease)
Investments	\$ 6,500	\$ 6,500	\$ -	0.00%
Conferences & Seminars	\$ 6,500	\$ 6,500	\$ -	0.00%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	1	1	0	0.00%
Traning Expense per FTE	\$ 6,500	\$ 6,500	\$ -	0.00%

	FY2018	FY2017	Increase (Decrease)	% Increase (Decrease)
IT/Information Services	\$ -	\$ -		
Conferences & Seminars				
In-House Training				
#FTE	0	0		
Traning Expense per FTE				

	FY2018	FY2017	Increase (Decrease)	% Increase (Decrease)
Member Services	\$ 1,500	\$ 1,500	\$ -	0.00%
Conferences & Seminars	\$ 1,500	\$ 1,500	\$ -	0.00%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	3	3	0	0.00%
Traning Expense per FTE	\$ 500	\$ 500	\$ -	0.00%

Supplementary Statistical Information

	2017*	2016	2015	2014	2013
Active Members	1,672	1,671	1,611	1,615	1,613
Inactive Members	12	8	8	9	8
Benefit Recipient (Age, Dis., Survivor)	1,624	1,581	1,542	1,511	1,523
Re-employed Retirees	0	0	0	0	0
Total Membership	3,308	3,260	3,161	3,135	3,144

Members Per FTE	413.5	407.5	395.1	391.9	393.0
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*As of 9/12/17