



September 30, 2016

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 2017 calendar year budget. The attached reports are in the agreed upon format adopted by the Ohio retirement systems.

Compared to 2016, the internal operating budget for 2017 reflects an increase of 2.7%. The primary driver of this overall increase is the cost of employee health care.

Most other expenses are steady compared to 2016. The "Other Operating" line item, however, has decreased by 12.7%.

The capital budget is the same as 2016, as we have not yet purchased the IT assets that we planned to purchase in 2016. We expect to make the purchase in 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

FY2016 to FY2017 Operating Budget and Increase (Decrease)

Budget category	2017 Budget	2016 Budget	2016 Estimated Actual	2016-17 Increase (Decrease)	Percent Change (2016 to 2017)
Personnel	\$ 948,294	\$ 898,296	\$ 902,460	\$ 49,998	5.57%
Salaries and Wages	\$ 672,000	\$ 652,400	\$ 652,900	\$ 19,600	3.00%
PERS Contributions	\$ 94,080	\$ 91,336	\$ 91,406	\$ 2,744	3.00%
Health Insurance	\$ 157,470	\$ 130,100	\$ 129,113	\$ 27,370	21.04%
Miscellaneous Expenses	\$ 24,744	\$ 24,460	\$ 29,041	\$ 284	1.16%
Professional Services	\$ 599,100	\$ 603,100	\$ 705,298	\$ (4,000)	-0.66%
Actuarial	\$ 95,000	\$ 98,000	\$ 161,649	\$ (3,000)	-3.06%
Audit	\$ 45,500	\$ 43,500	\$ 43,500	\$ 2,000	4.60%
Custodial Banking Fees	\$ 90,000	\$ 90,000	\$ 79,694	\$ -	0.00%
Investment Consulting	\$ 285,000	\$ 285,000	\$ 282,532	\$ -	0.00%
Other Consulting	\$ 81,000	\$ 84,000	\$ 137,564	\$ (3,000)	-3.57%
Banking Expenses	\$ 2,600	\$ 2,600	\$ 359	\$ -	0.00%
Communications Expense	\$ 32,700	\$ 30,600	\$ 30,692	\$ 2,100	6.86%
Printing and Postage	\$ 12,000	\$ 11,000	\$ 10,659	\$ 1,000	9.09%
Telecommunications	\$ 14,200	\$ 13,600	\$ 13,838	\$ 600	4.41%
Member/Employer Education	\$ 6,500	\$ 6,000	\$ 6,195	\$ 500	8.33%
Other Operating Expenses	\$ 211,850	\$ 214,100	\$ 190,030	\$ (2,250)	-1.05%
Conferences and Education	\$ 12,000	\$ 12,000	\$ 5,854	\$ -	0.00%
Travel	\$ 28,000	\$ 27,000	\$ 22,990	\$ 1,000	3.70%
Computer Technology	\$ 96,400	\$ 91,400	\$ 94,972	\$ 5,000	5.47%
Other Operating	\$ 61,700	\$ 70,450	\$ 53,162	\$ (8,750)	-12.42%
Ohio Retirement Study Council	\$ 3,500	\$ 3,000	\$ 3,051	\$ 500	16.67%
TOS Warrant Clearing Charges	\$ 250	\$ 250	\$ -	\$ -	0.00%
Attorney General Charges	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	0.00%
Net Building Expense	\$ 120,000	\$ 115,000	\$ 116,410	\$ 5,000	4.35%
Total Operating Budget	\$ 1,911,944	\$ 1,861,096	\$ 1,944,888	\$ 50,848	2.73%
Full-Time Equivalent (FTE) Associates	8	8			

FY2016 to FY2017 Capital Budget

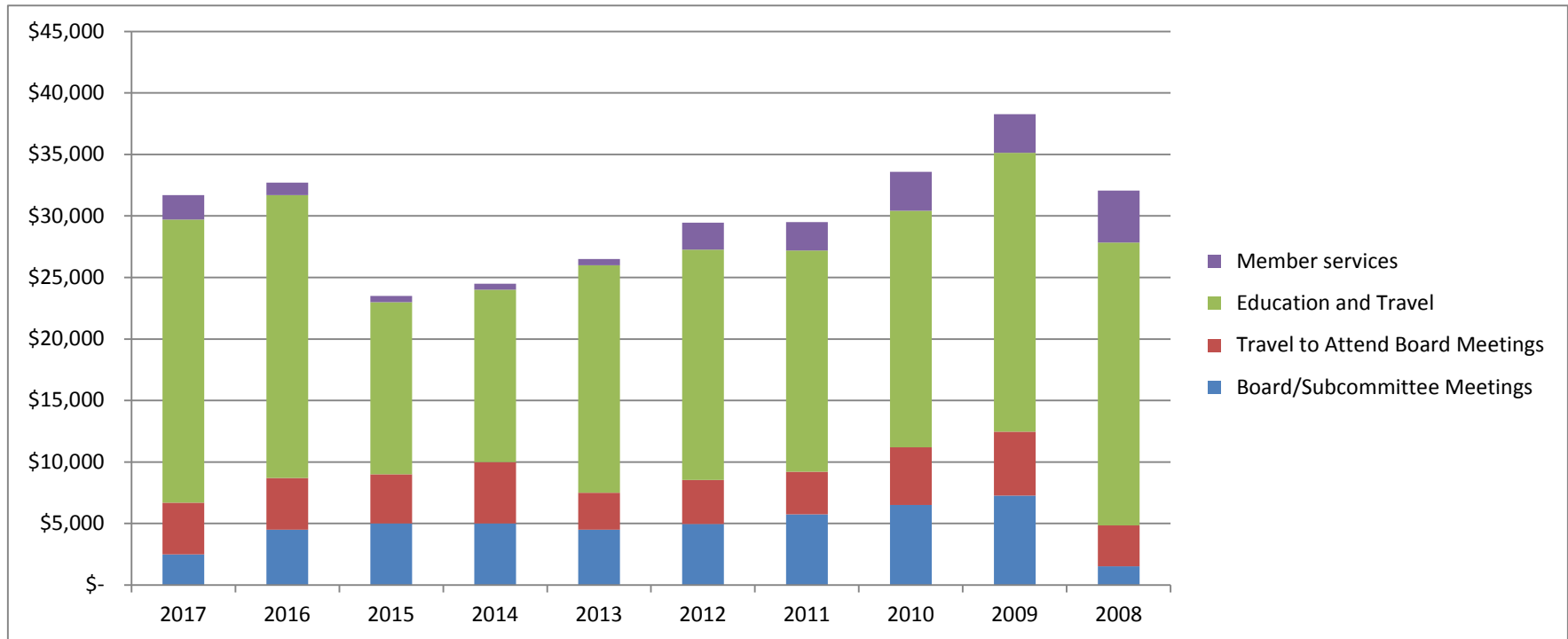
	2017 Budget (includes carryover from previous years)	2016 Budget	2016 Estimate
Total Capital Budget	\$ 30,000	\$ 30,000	\$ -
IT Assets	\$ 30,000	\$ 30,000	\$ -

Investment Expenses

	2015 Actual	2014 Actual	Percent Change (2014 to 2015)
Total Investment Assets	793,737,253	835,662,814	-5.02%
Total Internally Managed Assets	-	-	0.00%
Total Externally Managed Assets	793,737,253	835,662,814	-5.02%
Total Investment Expenses	5,209,317	5,968,972	-12.73%
Total Internal Investment Expenses	9,753	9,530	-
Total External Investment Expenses	4,817,904	5,555,346	-13.27%
Investment Consulting	275,163	268,636	2.43%
Brokerage/Commissions-Internal	-	-	0.00%
Brokerage/Commissions-External	29,581	43,847	-32.54%
Custodian Fees	76,916	91,613	-16.04%
Total Investment Expenses as a % of Total Investment Assets	0.66%	0.71%	-8.12%
Expenses as % of Internally Managed			
Expenses as % of Externally Managed	0.66%	0.71%	-8.12%

Board Member Expenses

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Board Expenses	\$ 31,700	\$ 32,700	\$ 23,500	\$ 24,500	\$ 26,500	\$ 29,450	\$ 29,500	\$ 33,579	\$ 38,278	\$ 32,055
Board/Subcommittee Meetings	\$ 2,500	\$ 4,500	\$ 5,000	\$ 5,000	\$ 4,500	\$ 4,950	\$ 5,750	\$ 6,500	\$ 7,263	\$ 1,511
Travel to Attend Board Meetings	\$ 4,200	\$ 4,200	\$ 4,000	\$ 5,000	\$ 3,000	\$ 3,600	\$ 3,450	\$ 4,704	\$ 5,191	\$ 3,333
Education and Travel	\$ 23,000	\$ 23,000	\$ 14,000	\$ 14,000	\$ 18,500	\$ 18,700	\$ 18,000	\$ 19,228	\$ 22,677	\$ 23,000
Member services	\$ 2,000	\$ 1,000	\$ 500	\$ 500	\$ 500	\$ 2,200	\$ 2,300	\$ 3,147	\$ 3,147	\$ 4,211



Staff Training and Travel

	FY2017	FY2016	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%

	FY2017	FY2016	Increase (Decrease)	% Increase (Decrease)
Finance and Benefits	\$ 5,000	\$ 4,000	\$ 1,000	25.00%
Conferences & Seminars	\$ 5,000	\$ 4,000	\$ 1,000	25.00%
In-House Training	\$ -	\$ -	\$ -	0.00%
#FTE	3	3	0	0.00%
Traning Expense per FTE	\$ 1,667	\$ 1,333	\$ 333	25.00%

	FY2017	FY2016	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%

	FY2017	FY2016	Increase (Decrease)	% Increase (Decrease)
IT/Information Services	\$ -	\$ -		
Conferences & Seminars				
In-House Training				
#FTE	0	0		
Traning Expense per FTE				

	FY2017	FY2016	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

	2016*	2015	2014	2013	2012
Active Members	1,624	1,611	1,615	1,613	1,645
Inactive Members	11	8	9	8	7
Benefit Recipient (Age, Dis., Survivor)	1,568	1,542	1,511	1,523	1,497
Re-employed Retirees	0	0	0	0	0
Total Membership	3,203	3,161	3,135	3,144	3,149

Members Per FTE	400.4	395.1	391.9	393.0	393.6
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*As of 9/28/2016