



AGENDA

Meeting of the Board of Trustees

Thursday, March 24, 2022 – 9:00 a.m.

TMRS Office
2717 Perseverance Drive, Suite 300
Austin, Texas

Zoom Link for Public:

<https://tmrs.zoom.us/j/92803129403?pwd=K3V6RUE5eVJxWDh1SHU1ZDI1ZFpGdz09>

The Board may discuss any item on the Agenda at any time during the meeting.

Call to Order

Invocation

Pledge of Allegiance

Consent Agenda

1. **Consider and Act on Consent Agenda.** *Jesús Garza*
 - a. Approve Minutes from the February 11, 2022 Board of Trustees meeting
 - b. Quarterly Confirmation of Member Retirements
 - c. Quarterly Confirmation of Supplemental Death Benefit Payments and Extended Supplemental Death Benefits Coverage
 - d. Receive Financial Statements as of December 31, 2021
 - i. Statements of Fiduciary Net Position
 - ii. Statements of Changes in Fiduciary Net Positions
 - iii. Expense Fund Balance Sheet
 - iv. Expense Fund Schedule of Operating and Capital Expenditures

Board Organization

2. **Consider and Act on Formation of Ad Hoc Board Committee.** *David Wescoe*

Executive Director Reports

3. [Executive Director's Report](#). *David Wescoe*
4. [Receive Senior Staff Quarterly Reports](#). Chief Administrative Officer (*Sandra Vice*), Chief Legal Officer (*Christine Sweeney*), Chief Service Officer (*Michelle Kranes*), Director of Communications (*Michelle Mellon-Werch*), and Director of Governmental Relations (*Dan Wattles*)
5. **Consider and Act on Matters Concerning the Sale of the TMRS 1200 North Interstate 35 Building.** *David Wescoe and Eddie Schultz*

Legal Reports

6. [Consider and Act on Final Adoption of TMRS Rule Amendments – Chapter 129](#). *Christine Sweeney*
7. [Consider and Act on the State Office of Administrative Hearing Administrative Law Judge's Proposal for Decision in a Member Dispute Matter](#). *Christine Sweeney*

Legislative Agenda

8. [Review and Discuss TMRS Act Review Project and Potential Legislation Topics](#). *Christine Sweeney*

Actuarial Services Reports

9. [Consider and Act on 2021 Interest Credit Allocation to the Benefit Accumulation Fund and Interest Reserve Account](#). *Leslee Hardy and Joe Newton (GRS)*
10. [Consider and Act on Transfer from the Interest Reserve Account to the General Reserves Account](#). *Leslee Hardy and Joe Newton (GRS)*

Internal Audit Reports

11. [Report on Audit Committee's March 9, 2022 Meeting](#). *David Landis, Bill Philibert, Andi Focht-Williams, and Sandra Vice*
12. [Consider and Act on the 2022 Audit Plan](#). *Andi Focht-Williams*

Governmental Relations

13. [Review, Consider and Act on the Board's Legislative Consultant](#). *Dan Wattles and Ron Lewis*

Investment Reports

14. **Chief Investment Officer Reports.** *David Hunter*
 - a. CIO Report
 - b. Trust Fund Report: Q4 2021
 - c. Receive Quarterly Investment Reports
 - i. Fourth Quarter 2021 Asset Class Reports
 - ii. Fourth Quarter 2021 Data, Performance, and Risk Report
 - iii. 2022 Completed Investments Report
 - iv. Fourth Quarter 2021 Investment Pacing Plan
15. **Receive Fourth Quarter 2021 Investment Compliance Report.** *Nick O’Keefe and Michele Fullon*
16. **General Investment Consultant Quarterly Report.** *Marcia Beard and Spencer Hunter (RVK)*

Board Education

17. **Board Education: Global Equities Asset Class.** *David Hunter*

Executive Session

18. **Executive Session.** *Jesús Garza*
 - a. In accordance with Section 855.007, Texas Government Code, the Board of Trustees may meet in executive session to (i) receive information from or question the employees, consultants, or legal counsel of the System or a third party relating to an investment or a potential investment; (ii) meet with the System’s internal or external auditors to discuss any one or more of the matters set forth in Section 855.007(h); and /or (iii) consider and discuss evaluations or duties of Trustees or Board consultants, and self-evaluations of the Board as a whole, and thereafter may consider appropriate action in open session; and
 - b. In accordance with Section 551.072, Texas Government Code, the Board of Trustees may meet in executive session to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person, and thereafter may consider appropriate action in open session.

The Board may meet in Executive Session on any item listed above as authorized by the Texas Open Meetings Act or by the Texas Municipal Retirement System Act.

Future Board Agenda Items

19. Call for Future Agenda Items. *Jesús Garza*

Adjournment

In accordance with Texas Government Code Section 855.007, the Board may conduct the open and/or closed portions of the meeting by telephone conference call and/or by videoconference. The location of the meeting at which at least one Trustee of the Board will be physically present is the Texas Municipal Retirement System office, 2717 Perseverance Drive, Suite 300, Austin, TX, which will be open and audible to the public during the open portions of the meeting.



March 15, 2022

To: Board of Trustees
From: Christine M. Sweeney, Chief Legal Officer *CS*
Re: Agenda Item 1: Consider and Act on Consent Agenda

The Consent Agenda includes Minutes from the February 11, 2022 Board meeting, quarterly reports on service retirements, disability retirements, death benefits, and financial statements as of December 31, 2021. The Consent Agenda is adopted as one item.

RECOMMENDATION

Staff recommends that the Board adopt the Consent Agenda as presented.

ATTACHMENTS

- 1 - Minutes from the February 11, 2022 Board meeting
- 2 - Retirement and Supplemental Death Benefit Reports
(summary report attached; detailed report in Diligent Resource Center due to confidential information)
- 3 - Financial Statements (in Diligent Board Books)



**MINUTES OF THE
TEXAS MUNICIPAL RETIREMENT SYSTEM
Meeting of the Board of Trustees**

February 11, 2022 – 9:00 a.m.

The Board of Trustees of the Texas Municipal Retirement System (TMRS) convened for a meeting at 9:00 a.m. at the TMRS office, located at 2717 Perseverance, Suite 300, in Austin, Texas, with all Trustees present: Chair Jesús Garza, Vice Chair Bob Scott, Anali Alanis, Johnny Huizar, David Landis, and Bill Philibert.

Staff and consultants present included: David Wescoe (Executive Director), Michelle Kranes (Chief Service Officer), Christine Sweeney (Chief Legal Officer), Sandra Vice (Chief Administrative Officer), David Hunter (Chief Investment Officer), Leslee Hardy (Director of Actuarial Services,) Dan Wattles (Director of Governmental Relations) Marcia Beard (RVK), Spencer Hunter (RVK), and Dr. Anthony Picchioni.

Consent Agenda

1. Consider and Act on Consent Agenda.

Mr. Scott moved that the Board adopt the Consent Agenda. Mr. Landis seconded the motion, which passed 6-0.

Board Organization

2. Consider and Act on 2022 Board Meeting Dates.

Ms. Sweeney said that the Board, at its December meeting, decided on six Board meetings and one retreat for 2022 and that meetings occur on Fridays, but did not pick dates. Based on that, Staff identified potential Friday meetings dates on: March 25, May 27, June 24, September 23, October 28 (for a Retreat) and December 9.

Ms. Alanis moved to approve the meeting dates, and Mr. Huizar seconded the motion. Mr. Philibert asked why the Board was considering Fridays for meetings rather than Thursdays because Friday meetings would require some Trustees to travel late Friday or even on Saturday. Trustees discussed whether Thursday meetings would cause conflicts with their city council or other city meetings.

After discussion, Ms. Alanis amended her motion to hold the 2022 Board meetings on the Thursdays one day before the dates proposed by staff, so that the meeting dates would be:

March 24, May 26, June 23, September 22, October 27 (Retreat) and December 8. Mr. Landis seconded the motion, which passed 6-0.

Executive Director Reports

3. Executive Director's Report.

Mr. Wescoe recognized Mr. Garza for serving in his first meeting as Chair and thanked Mr. Landis for his leadership as Chair in 2021. Mr. Wescoe welcomed new Chief Investment Officer David Hunter. Mr. Wescoe said the 2021 Senior Staff Action Plan was completed successfully and that the Senior Staff recently met off-site and developed another ambitious 2022 Senior Staff Action Plan. Mr. Wescoe reported that the move to the new offices at The Grove was allowing TMRS staff to conduct its business in a more efficient manner. He said that TMRS delivered to its 2021 1099-R forms to retirees by the third week of January. Also, TMRS has enhanced electronic delivery of its redesigned and improved communications.

4. Consider and Act on Resolution to Recognize 2021 Board Chair David Landis.

Mr. Garza read a resolution recognizing Mr. Landis for serving as Board Chair in 2021 during a year of TMRS achievements that included a new Investments asset allocation, the move to The Grove, the passage of Senate Bill 1105 as the first benefit enhancement legislation for TMRS in almost two decades, and the release of the TMRS mobile app.

Ms. Alanis moved that the Board approve the resolution as presented for Mr. Landis. Mr. Philibert seconded the motion, which passed 6-0.

Plan Benefit Design

5. Consider and Act on Ratification of Ordinances Adopting Updated Service Credit and/or Annuity Increases Effective January 1, 2022 (Received after the December 2021 Board Meeting).

Ms. Kranes said that the TMRS Act requires the Board to approve ordinances received from cities adopting Updated Service Credit (USC) or Annuity Increases, also known as cost-of-living adjustments (COLAs) to retirement benefit payments. These types of ordinances have a January 1 effective date. At the December Board meeting, as part of the Consent Agenda, the Board approved those ordinances presented at the meeting and such other qualified ordinances as may be received by the System prior to January 1, 2022. Ms. Kranes then presented a list of additional ordinances adopting these changes that were received by TMRS after the December 2021 Board meeting but on or before December 21, 2021.

Mr. Landis moved that the Board ratify the approval of Updated Service Credit and/or Annuity Increase ordinances that were received by TMRS after the December 2021 Board meeting but before the January 1, 2022 effective date. Mr. Philibert seconded the motion, which passed 6-0.

Mr. Scott asked about COLAs based on the consumer price index (CPI) and what the CPI was for 2021. Ms. Hardy said that the 2021 CPI was approximately 7% but that the TMRS COLAs based on the 2021 CPI would take effect in 2023. Ms. Hardy said that COLAs taking effect in 2022 are based on the 2020 CPI of 2.1%. Mr. Scott noted that inflation will also affect actuarial assumptions.

Advisory Committee on Benefit Design

6. Report on Advisory Committee's February 4, 2022 Meeting.

Mr. Garza reported that the meeting of the Advisory Committee on Benefit Design scheduled for February 4, 2022, was cancelled because of inclement weather, but that prior to the meeting staff had researched and survey cities on two benefit design topics for the Committee. Ms. Kranes presented the research done for the Committee on the two topics.

On the first topic, Ms. Kranes said that under the TMRS Act cities cannot provide COLAs for its retirees without also providing updated service credit (USC) for active employees. Staff sent a survey to all TMRS cities about “delinking” these two benefits so that cities could offer COLAs without USC. Mr. Kranes also reported on the cost for adding both USC and COLAs. Mr. Scott asked about the costs as a percentage of pay, and Ms. Hardy said the cost for COLAs on top of USC was 8.75% on average, and without USC, the cost for COLAs was 7.92% on average. Ms. Hardy said that, in general, the cost for USC was about 4.5%. The combined cost for USC and COLAs, she said, was on average about 13.25% as a percentage of payroll. Ms. Kranes summed up that USC is about one-third of the cost when a city must add both USC and COLAs. Also, she said, the COLAs themselves are more expensive when USC must be layered on top of them. Ms. Kranes said that about 17% of cities responded to staff's survey on this issue, and 66% of those responding supported allowing cities to provide COLAs for retirees without having to provide USC for active employees. She said two employee associations asked about delinking COLAs from USC had no concern with doing so, and a third was researching the question.

On the second topic, staff also studied delinking the retiree Supplemental Death Benefit (SDB) from the Member SDB. Ms. Kranes said staff surveyed cities about this issue too, and of the 17% of cities who responded 56% to them said that they did not support providing a retiree SDB without a Member SDB. She added, however, that comments from cities reflected that they had no concern with allowing flexibility but rather would continue both benefits themselves. Ms. Alanis asked, and Ms. Kranes confirmed, that delinking the two SDBs would only give cities an additional option and not take away an existing option.

Ms. Kranes said that staff concluded that there was majority support from the responding cities for delinking USC from COLAs and that support was split for delinking the retiree SDB from the Member SDB. Mr. Garza posed a question about costs, and Ms. Hardy responded that on average the Member SDB costs 0.1% of payroll and the retiree SDB costs 0.05% of payroll. Mr. Garza said that he heard consistently from the Advisory Committee that it sought ways to make it easier for cities to offer COLAs, so delinking COLAs from USC was one way to do

that. Mr. Garza supported the delinking of these benefit options to allow additional benefit possibilities to cities, and Mr. Philibert agreed with Mr. Garza's comments.

Governmental Relations Report

7. Discuss 2022 Legislative Calendar.

Mr. Wattles gave an update on key dates for the interim legislative period leading up to the 2023 session of the Texas Legislature. After discussion at following meetings and if the Board decides it wants to pursue legislation in 2023, final direction on draft bill language would be requested at the September meeting. Legislation bills may be filed beginning November 7, 2022. Board decisions may be delayed until December, but filing bills earlier is better. Mr. Garza said that administrative and clean-up proposals for legislation considered in prior years should be reviewed again in addition to the benefit enhancement items discussed today and recently with the Advisory Committee.

Investment Reports

8. Introduction of New Chief Investment Officer, David Hunter.

Mr. Wescoe introduced Mr. Hunter, who was hired after a comprehensive national search. Mr. Wescoe provided an overview of Mr. Hunter's academic background and investment experience.

9. Chief Investment Officer Reports.

Mr. Hunter reported a 2021 preliminary net investment return of 12.8%, net of fees. That return beat its benchmark by 61 basis points, which equates to about \$218 million. On a five- and ten-year basis, the returns were 8.94% and 7.69%, both of which were 23 basis points better than the benchmarks. Mr. Garza asked to what the good returns could be attributed, and Mr. Hunter said that private equity and real estate both surpassed their benchmarks by quite a bit. Regarding asset allocations, Mr. Hunter said that all asset classes were within approximately 1% of their targets with exceptions for Public Equity (overweight 2.3%), Private Equity (underweight 2.3%) and Hedge Funds (overweight 3.3%). The most important driver of returns is asset allocation, Mr. Hunter said, and being overweight in Public Equity was offsetting being underweight in Private Equity as TMRS waits for its Private Equity managers to draw on TMRS capital commitments. Mr. Hunter said that reducing TMRS exposure to hedge funds was well underway. Mr. Hunter said that the Staff Investment Committee (SIC) approved a total of ten investments in private market managers totaling \$1.375 billion since November 2021. He discussed the due diligence process used by the SIC for these investments and said that TMRS was doing as good a job in that regard as anyone for whom he had worked in the past. Mr. Hunter said that the Request for Proposals for a General Investment Consultant was published on the TMRS website and sent to the 10 largest investment consulting firms.

10. RVK Report.

Ms. Beard reported that the Total Fund returned 3.71%, net of fees, in the 4th quarter and 12.8%, net of fees, over the trailing 12 months (calendar year 2021) based on preliminary market data before auditing. TMRS outperformed its benchmarks in most asset classes, Ms. Beard said. Other Public & Private Markets slightly underperformed but only by four basis points net of fees in a portfolio that has been transitioning. Public Equity underperformed its benchmark, but Ms. Beard said it is hard to outperform an equity index during a strong market. Ms. Beard reviewed allocations within asset classes relative to the Board's strategic target allocations, and said that all asset classes were within their expected ranges at end of the quarter, and TMRS was within its policy benchmarks.

Executive Session

11. Executive Session.

The Board went into Executive Session at 10:40 a.m. The meeting reconvened in Open Meeting at 2:01 p.m. No action was taken during the Executive Session. All members of the Board who were present before the Executive Session were present.

Future Board Agenda Items

12. Call for Future Agenda Items.

There were no future agenda items. Mr. Garza adjourned the meeting at 2:01 p.m.

David B. Wescoe
Executive Director

Jesús Garza
Chair, Board of Trustees



March 15, 2022

To: Board of Trustees

From: Debbie Muñoz, Director of Member Services *Debbie Muñoz*

Re: Agenda Item 1 - Consent Agenda – Retirements and Supplemental Death Benefit Payments

The Service and Disability Retirements Report and the Supplemental Death Benefits Report are in Diligent. They reflect payments processed by the Member Services department in accordance with the TMRS Act and reviewed and approved by Michelle D. Kranes, Chief Service Officer.

**Texas Municipal Retirement System
Board Supplemental Death Benefits Report**

**Summary of Supplemental Death Benefit Payments and Applications for Supplemental
Death Benefits Extended Coverage from November 1, 2021 to February 28, 2022**

Supplemental Death Benefit Payments	
By Beneficiaries of Active Members	50 payments totaling \$2,888,352.93
By Beneficiaries of Retired Members	319 payments totaling \$2,370,000.00
Applications for Supplemental Death Benefits Extended Coverage	
None	

Board Retirement Report

Summary of Individual Member Retirements Processed from 10-2021 to 01-2022

Total Number of Retirements by Option	Service	Disability	Total
Retiree Life Only	531	6	537
Retiree Life -- 100% to Survivor	561	3	564
Retiree Life -- 75% to Survivor	118	1	119
Retiree Life -- 50% to Survivor	224	1	225
Retiree Life -- 5 Years Guaranteed	24	0	24
Retiree Life -- 10 Years Guaranteed	39	1	40
Retiree Life -- 15 Years Guaranteed	79	0	79
Cashout of Reserves	17	0	17
Total Number -- All Options	1,593	12	1,605

Total Monthly Benefits (Nearest Dollar)	\$3,686,154	\$7,202	\$3,693,356
Average Monthly Benefit (Nearest Dollar)	\$2,314	\$600	\$2,301
Average Age at Retirement	60	51	60
Average Years of Service at Retirement	21	13	21

Partial Lump Sum Distributions	
No. of Retirements Taking a PLSD	1,142
Total Amount Paid	\$87,303,526
% of PLSD Funds Rolled Over	69%
% of PLSD Funds Not Rolled Over	31%

TEXAS MUNICIPAL RETIREMENT SYSTEM
STATEMENTS OF FIDUCIARY NET POSITION
As of December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash	\$9,960,043	\$2,866,816
Receivables:		
Contributions	141,968,819	129,194,021
Interest and dividends	22,314,890	40,576,338
Investment trades	360,236,698	622,540,542
Total receivables	524,520,407	792,310,901
Investments, at fair value:		
Short-term investments	727,050,696	1,922,521,232
Derivative contracts	(19,794)	(1,747,099)
Fixed income securities	3,336,959,069	5,596,417,508
Inflation-linked bonds	-	555,552,707
Global public equities	13,974,436,068	11,345,774,032
REITs	53,921,725	325,265,931
Non-core fixed income funds	5,787,465,919	4,747,661,737
Other public & private markets funds	4,071,351,290	2,221,319,526
Hedge funds	3,127,664,474	3,267,288,761
Private equity funds	2,900,381,591	1,523,504,987
Real estate funds	4,136,177,813	3,017,043,281
Total investments	38,115,388,851	34,520,602,603
Total assets	38,649,869,301	35,315,780,320
LIABILITIES		
Investment trades payable	719,338,532	1,001,381,996
Accrued investment management fees	6,612,194	8,273,779
Accounts payable and other accrued liabilities	14,788,023	23,327,409
Total liabilities	740,738,749	1,032,983,184
FIDUCIARY NET POSITION		
Restricted for pensions	37,903,315,069	34,270,205,759
Held in trust for other benefits	5,815,483	12,591,377
Total fiduciary net position	\$37,909,130,552	\$34,282,797,136

NOTE: Financial statements are considered preliminary, due to pending market value adjustments for private investments as of 12/31/2021.

TEXAS MUNICIPAL RETIREMENT SYSTEM
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
For the Twelve Months Ending December 31, 2021 and 2020

	2021	2020
ADDITIONS		
Contributions:		
Pension plan - cities	\$1,074,589,974	\$1,190,110,045
Pension plan - Members	492,319,722	479,187,524
Supplemental death benefits plan - cities	10,655,161	8,945,812
Total contributions	1,577,564,857	1,678,243,381
Net investment income:		
Net appreciation in fair value of investments	3,337,270,514	2,011,287,939
Interest and dividends	499,024,961	446,821,348
Total investment income	3,836,295,475	2,458,109,287
Less: investment manager fees/transaction costs	(30,656,845)	(32,633,602)
Net investment income	3,805,638,630	2,425,475,685
Other miscellaneous	40,532	43,913
Total additions	5,383,244,019	4,103,762,979
DEDUCTIONS		
Benefit payments:		
Service retirement	1,431,098,965	1,333,621,087
Disability retirement	17,238,392	17,178,148
Supplemental death benefits	17,849,592	11,084,596
Partial lump-sum distributions	194,678,511	191,627,456
Total benefit payments	1,660,865,460	1,553,511,287
Inactive member refunds	62,336,087	56,013,543
Budget transfer and other	33,709,056	34,173,003
Total deductions	1,756,910,603	1,643,697,833
Change in net position	3,626,333,416	2,460,065,146
FIDUCIARY NET POSITION		
Restricted for pensions:		
Beginning of year	34,270,205,759	31,808,658,877
End of year	\$37,903,315,069	\$34,270,205,759
Held in trust for other benefits:		
Beginning of year	12,591,377	14,073,111
End of year	\$5,815,483	\$12,591,377

NOTE: Financial statements are considered preliminary, due to pending market value adjustments for private investments as of 12/31/2021.

TEXAS MUNICIPAL RETIREMENT SYSTEM
EXPENSE FUND
Balance Sheet
As of December 31, 2021

ASSETS

Cash	\$ 500
Accounts receivable and other assets	5,797,883
Due from trust fund	14,816,273
Land	254,388
Building and improvements, net	8,021,650
Furniture and equipment, net	<u>1,275,162</u>
 Total assets	 <u><u>\$ 30,165,856</u></u>

LIABILITIES

Accounts payable & accrued expenses	\$ 10,768,723
Accrued leave liability	<u>4,499,670</u>
 Total liabilities	 15,268,393

RESERVES AND FUND BALANCES

Reserve for administrative expenses	12,687,277
Net receipts over disbursements:	
Revenue	34,243,327
Expenses ¹	<u>(32,033,141)</u>
 Total reserves and fund balances	 <u><u>14,897,463</u></u>
 Total liabilities, reserves and fund balances	 <u><u>\$ 30,165,856</u></u>

¹ Expenses equal total operating expenses of \$31,004,356, depreciation expense of \$592,191, PASM od expenses of \$1,059,544 and GASB pension of (\$622,950).

TEXAS MUNICIPAL RETIREMENT SYSTEM
EXPENSE FUND
Schedule of 2021 Operating Expenses
For the Twelve Months Ending December 31, 2021

	Budget	Actual	Amount (\$) Over / (Under)	Percent (%)
Personnel services:				
Staff salaries	\$14,576,987	\$ 14,300,538	\$ (276,449)	(1.9)
Payroll taxes / unemployment	983,977	974,274	(9,703)	(1.0)
Retirement contributions	2,334,313	2,334,313	-	0.0
Insurance & other benefits	1,546,990	1,254,474	(292,516)	(18.9)
Total Personnel Services	19,442,267	18,863,599	(578,668)	(3.0)
Professional services:				
Consulting & other prof. svcs.	2,366,988	2,081,463	(285,525)	(12.1)
Actuarial services	655,500	588,300	(67,200)	(10.3)
Custodial & Banking services	2,400,000	2,385,220	(14,780)	(0.6)
Legal services	1,120,000	1,099,037	(20,963)	(1.9)
Medical services	50,000	32,970	(17,030)	(34.1)
Audit	256,750	177,150	(79,600)	(31.0)
Total Professional Services	6,849,238	6,364,140	(485,098)	(7.1)
Communication:				
Printing	212,690	189,855	(22,835)	(10.7)
Postage	301,635	265,275	(36,360)	(12.1)
Travel	533,234	41,601	(491,633)	(92.2)
Telephone	94,000	57,613	(36,387)	(38.7)
Member Outreach	226,206	104,514	(121,692)	(53.8)
Total Communication	1,367,765	658,858	(708,907)	(51.8)
Information Services:				
Data processing	783,724	929,046	145,322	18.5 A
Online services	2,080,147	2,023,068	(57,079)	(2.7)
Gartner consulting	139,572	139,572	-	0.0
Office equipment/services	129,150	100,094	(29,056)	(22.5)
Offsite & records storage	168,000	142,142	(25,858)	(15.4)
Total Information Services	3,300,593	3,333,922	33,329	1.0
Miscellaneous:				
Board of Trustees	135,540	58,563	(76,977)	(56.8)
Advisory Committee	15,760	2,993	(12,767)	(81.0)
Insurance & risk management	185,290	197,277	11,987	6.5
Dues (memberships)	52,789	37,145	(15,644)	(29.6)
Subscriptions / publications	116,428	104,100	(12,328)	(10.6)
Training / tuition	279,202	79,223	(199,979)	(71.6)
Utilities	184,000	179,883	(4,117)	(2.2)
Supplies	204,550	315,097	110,547	54.0 B
Bldg / grounds maintenance	218,799	729,656	510,857	233.5 C
Building Security	22,620	18,672	(3,948)	(17.5)
Other administrative expenses	112,150	61,228	(50,922)	(45.4)
Total Miscellaneous	1,527,128	1,783,837	256,709	16.8
Total Operating Expenses	\$ 32,486,991	\$ 31,004,356	(1,482,635)	(4.6)

A - Includes technology and monthly site fees for the new Offsite Data Center, which was not included in the 2021 budget.

B - Includes new computer-related items to expand technology for the Grove and remote work that were not included in the 2021 budget.

C - The Grove rent for October through December (\$615,000) was not included in the 2021 budget.