

City of El Paso Employees Retirement Trust

Treasurer's Report

Margarita Marin

Comptroller, City of El Paso

April 30, 2023

City of El Paso Employees Retirement Trust
Statements of Net Assets Available for Benefits

	Unaudited April 30, 2023	Audited August 31, 2022	Audited August 31, 2021	Audited August 31, 2020
<u>Assets</u>				
Cash and Investments (at fair value):				
Cash and Cash Equivalents	\$ 19,089,939	\$ 14,890,122	\$ 3,580,457	\$ 10,646,860
Cash in Escrow	1,481,799	1,481,799	1,656,688	-
Investments	883,268,505	889,739,882	1,030,992,346	862,756,738
Total Cash and Investments	<u>903,840,243</u>	<u>906,111,803</u>	<u>1,036,229,491</u>	<u>873,403,598</u>
Receivables				
Unrestricted	1,642,259	2,151,228	1,950,229	3,583,017
Restricted - commission credits	7,883	7,883	7,883	6,109
Total Receivables	<u>1,650,142</u>	<u>2,159,111</u>	<u>1,958,112</u>	<u>3,589,126</u>
Prepaid Expenses	50,069	23,210	24,021	23,837
Capital Assets	<u>2,274,409</u>	<u>2,274,409</u>	<u>2,516,531</u>	<u>2,678,419</u>
Total Assets	<u>907,814,863</u>	<u>910,568,533</u>	<u>1,040,728,155</u>	<u>879,694,980</u>
<u>Liabilities</u>				
Due to Brokers for Securities Purchased	911,279	-	-	1,164,852
Accrued Expenses	2,342,216	2,286,739	2,036,126	534,623
Deferred Revenue - commission credits	7,883	7,883	7,883	6,109
Total Liabilities	<u>3,261,378</u>	<u>2,294,622</u>	<u>2,044,009</u>	<u>1,705,584</u>
Net Assets Available for Benefits	<u>\$ 904,553,485</u>	<u>\$ 908,273,911</u>	<u>\$ 1,038,684,146</u>	<u>\$ 877,989,396</u>

City of El Paso Employees Retirement Trust
Statements of Changes in Net Assets Available for Benefits

	Unaudited Eight Months Ended April 30, 2023	Audited Year Ended August 31, 2022	Audited Year Ended August 31, 2021	Audited Year Ended August 31, 2020
<u>Additions</u>				
Receipts				
Contributions-Employer	\$ 21,215,602	\$ 26,096,411	\$ 25,603,188	\$ 25,296,642
Contributions-Employee	11,325,068	16,665,780	15,099,360	16,114,139
Total Receipts	<u>32,540,670</u>	<u>42,762,191</u>	<u>40,702,548</u>	<u>41,410,781</u>
Investment Income				
Interest	1,226,375	793,010	1,049,280	4,109,088
Dividends	2,980,692	3,597,637	2,548,310	2,356,890
Net Change in Fair Value of Investments	14,865,966	(89,489,954)	201,182,318	99,563,115
Gain on Disposition of Assets	-	-	-	19,939
Other	293,826	-	24,567	11,301
Less Investment Advisor Fees	(1,405,537)	(2,480,568)	(2,753,808)	(3,589,807)
Net Investment Income	<u>17,961,322</u>	<u>(87,579,875)</u>	<u>202,050,667</u>	<u>102,470,526</u>
Total Net Additions	<u>50,501,992</u>	<u>(44,817,684)</u>	<u>242,753,215</u>	<u>143,881,307</u>
<u>Deductions</u>				
Benefits Paid to Retirees	51,030,137	77,720,687	73,024,342	66,555,726
Refunds	1,877,993	5,441,578	3,804,288	3,737,266
Prudential COLA Payments	32,000	216,000	84,000	84,000
Administrative Expenses	1,282,288	1,932,893	2,441,214	2,138,910
Legal Settlement	-	281,393	2,704,621	-
Total Deductions	<u>54,222,418</u>	<u>85,592,551</u>	<u>82,058,465</u>	<u>72,515,902</u>
Net Increase (Decrease)	<u>(3,720,426)</u>	<u>(130,410,235)</u>	<u>160,694,750</u>	<u>71,365,405</u>
Beginning Net Assets Available for Benefits	<u>908,273,911</u>	<u>1,038,684,146</u>	<u>877,989,396</u>	<u>806,623,991</u>
Ending Net Assets Available for Benefits	<u>\$ 904,553,485</u>	<u>\$ 908,273,911</u>	<u>\$ 1,038,684,146</u>	<u>\$ 877,989,396</u>
<u>Reconciliation to Mellon Statements</u>				
Reported per Mellon Statement (Cash Basis)	\$ 904,634,375			
Adjustments to Accrual Basis:				
Audit Adjustments	(1,072,380)			
Accrue Contributions(Employer)	811,717			
Accrue Contributions(Employee)	516,901			
Accrue Investment Advisor Fees	(579,234)			
Accrue Administrative Expenses	(30,399)			
Adjust for Prepaid Insurance	26,860			
Land Sale	426,859			
Legal Settlement paid thru WestStar Bank	(181,214)			
Reported per Treasurer's Report (Accrual Basis)	<u>\$ 904,553,485</u>			

City of El Paso Employees Retirement Trust
Quarterly Statements of Changes in Net Assets Available for Benefits

	3rd QTR, FY 2023 <u>April 30, 2023</u>	2nd QTR, FY 2023 <u>February 28, 2023</u>	1st QTR, FY 2023 <u>November 30, 2022</u>	4th QTR, FY 2022 <u>August 31, 2022</u>	3rd QTR, FY 2022 <u>May 31, 2022</u>	2nd QTR, FY 2022 <u>February 28, 2022</u>	1st QTR, FY 2022 <u>November 30, 2021</u>
<u>Additions</u>							
Receipts							
Contributions-Employer	\$ 6,229,146	\$ 7,390,429	\$ 7,596,027	\$ 7,098,674	\$ 6,742,333	\$ 6,218,946	\$ 6,580,970
Contributions-Employee	<u>3,686,729</u>	<u>3,321,751</u>	<u>4,316,588</u>	<u>4,297,392</u>	<u>4,076,841</u>	<u>3,962,294</u>	<u>3,784,741</u>
Total Receipts	9,915,875	10,712,180	11,912,615	11,396,066	10,819,174	10,181,240	10,365,711
Investment Income							
Interest	239,129	585,465	401,781	360,553	304,458	(145,138)	273,137
Dividends	891,984	1,067,381	1,021,327	980,367	996,664	780,774	839,832
Net Change in Fair Value of Investments	12,718,172	(1,974,945)	4,122,739	(37,193,674)	(39,039,302)	(18,380,676)	5,123,698
Other	136,820	157,006	-	-	-	-	-
Less Investment Advisor Fees	<u>(525,576)</u>	<u>(270,353)</u>	<u>(609,608)</u>	<u>(414,680)</u>	<u>(714,509)</u>	<u>(422,764)</u>	<u>(928,615)</u>
Net Investment Income (Loss)	<u>13,460,529</u>	<u>(435,446)</u>	<u>4,936,239</u>	<u>(36,267,434)</u>	<u>(38,452,689)</u>	<u>(18,167,804)</u>	<u>5,308,052</u>
Total Net Additions (Reductions)	<u>23,376,404</u>	<u>10,276,734</u>	<u>16,848,854</u>	<u>(24,871,368)</u>	<u>(27,633,515)</u>	<u>(7,986,564)</u>	<u>15,673,763</u>
<u>Deductions</u>							
Benefits Paid to Retirees	12,885,037	19,193,920	18,951,180	18,814,481	23,539,232	17,011,129	18,355,844
Refunds	454,704	717,606	705,683	1,406,396	1,179,397	1,228,086	1,627,699
Prudential COLA Payments	8,000	12,000	12,000	15,000	171,000	15,000	15,000
Administrative Expenses	371,906	474,258	436,124	542,711	418,122	564,697	407,364
Legal Settlement	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,034</u>	<u>80,714</u>	<u>95,857</u>	<u>29,788</u>
Total Deductions	<u>13,719,647</u>	<u>20,397,784</u>	<u>20,104,987</u>	<u>20,853,622</u>	<u>25,388,465</u>	<u>18,914,769</u>	<u>20,435,695</u>
Net Increase (Decrease)	<u>9,656,757</u>	<u>(10,121,050)</u>	<u>(3,256,133)</u>	<u>(45,724,990)</u>	<u>(53,021,980)</u>	<u>(26,901,333)</u>	<u>(4,761,932)</u>
Beginning Net Assets Available for Benefits	<u>894,896,728</u>	<u>905,017,778</u>	<u>908,273,911</u>	<u>953,998,901</u>	<u>1,007,020,881</u>	<u>1,033,922,214</u>	<u>1,038,684,146</u>
Ending Net Assets Available for Benefits	<u>\$ 904,553,485</u>	<u>\$ 894,896,728</u>	<u>\$ 905,017,778</u>	<u>\$ 908,273,911</u>	<u>\$ 953,998,901</u>	<u>\$ 1,007,020,881</u>	<u>\$ 1,033,922,214</u>

City of El Paso Employees Retirement Trust
Investment Income Analysis

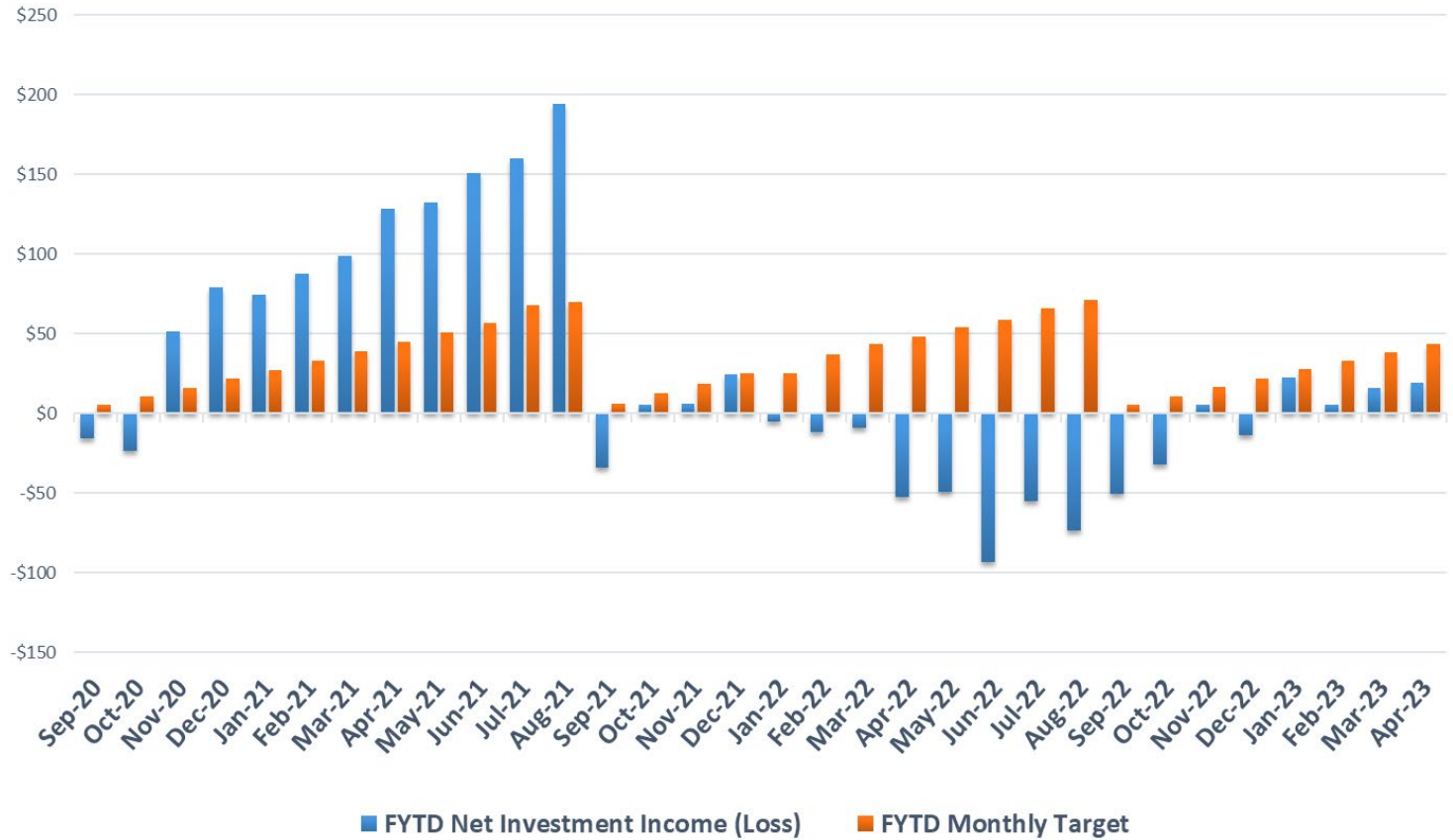
	Year to Date	Month							
	April 30, 2023	April	March	February	January	December	November	October	September
<u>Detail</u>									
Interest	\$ 1,226,375	\$ 113,836	\$ 125,293	\$ 117,643	\$ 108,307	\$ 359,515	\$ 35,267	\$ 330,789	\$ 35,725
Dividends	2,980,692	609,452	282,532	222,865	585,052	259,464	240,761	562,957	217,609
Realized Gain/Loss	4,677,413	163,211	1,534,693	48,851	320,532	(181,429)	574,291	388,396	1,828,868
Realized Gain/Loss FFX Contracts	(110)	-	-	(103)	-	-	-	-	(7)
Realized Gain/Loss Current Dividends	2,045	-	-	2,193	-	-	-	-	(148)
Realized Gain/Loss-Non Base Currency	77	-	-	70	-	-	-	-	7
Unrealized Gain/Loss-Investments	10,184,489	2,157,862	8,860,754	(17,918,769)	35,516,889	(19,762,186)	37,104,806	17,087,814	(52,862,681)
Unrealized Gain/Loss Currency	2,052	844	808	(2,953)	383	1,577	2,541	(845)	(303)
Other	293,826	67,288	69,531	62,803	69,532	24,672	-	-	-
Per Statement of Changes in Net Assets	<u>\$ 19,366,859</u>	<u>\$ 3,112,493</u>	<u>\$10,873,611</u>	<u>\$(17,467,400)</u>	<u>\$36,600,695</u>	<u>\$(19,298,387)</u>	<u>\$37,957,666</u>	<u>\$18,369,111</u>	<u>\$ (50,780,930)</u>

<u>Summary</u>	
Interest	\$ 1,226,375
Dividends	2,980,692
Net Market Value Appreciation	<u>15,159,792</u>
Net Investment Income (NII)	<u>\$ 19,366,859</u>
Fiscal Year NII to Date / Avg Available Net Assets	2.14%
Net Assets Available for Benefits - August 31, 2022	\$ 908,273,911
Target Rate of Return	7.25%
Cumulative Target Rate of Return	4.83%
Fiscal Year 2023 NII Target	\$ 65,714,993

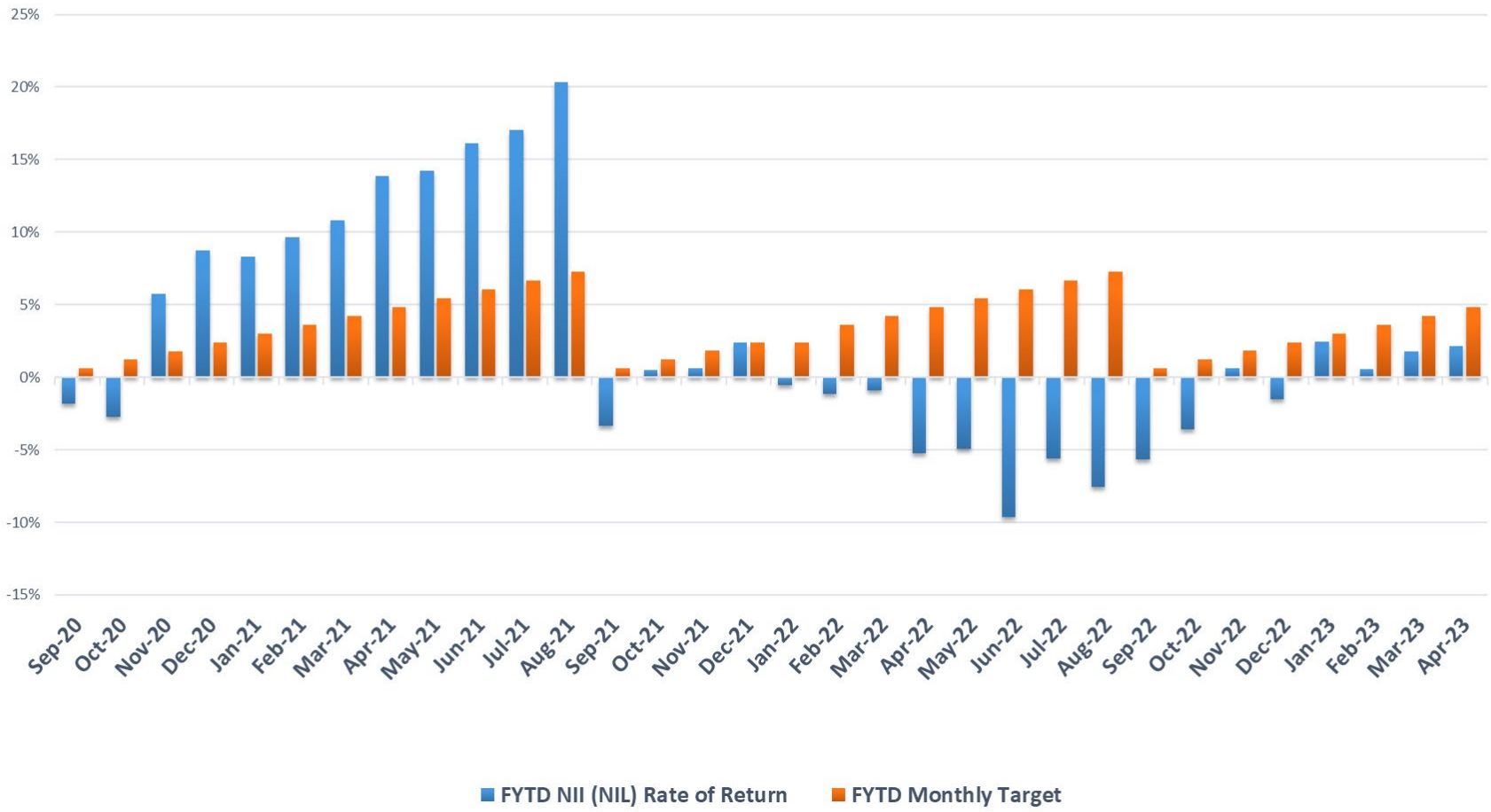
CITY OF EL PASO EMPLOYEES RETIREMENT TRUST
 CITY PENSION ADMINISTRATION ACTUAL/BUDGET COMPARISON
 For Eight Months Ended April 30, 2023

DESCRIPTION	BUDGET	ACTUAL	PERCENT UTILIZED	UNDER(OVER) BUDGET
<u>EXPENDITURES</u>				
NON-UNIFORM WAGES AND SALARIES	\$ 715,780	\$ 426,387	59.6%	\$ 289,393
SHIFT DIFFERENTIAL - CIVILIAN	25	-	0.0%	25
EQUIPMENT ALLOWANCE	3,800	2,314	60.9%	1,486
WORKERS COMPENSATION- CIVILIAN	2,147	765	35.6%	1,382
UNEMPLOYMENT COMPEN - CIVILIAN	713	432	60.6%	281
POS CITY - EMPLOYER CONTRIB	39,602	20,341	51.4%	19,261
LIFE INSURANCE - CIVILIAN	400	174	0.0%	226
ALLOW(EXC MIL& UNIF)-CIVILIA	4,850	3,086	63.6%	1,764
INSURANCE & ANCILLARY BENEFITS	36,370	6,645	18.3%	29,725
OTHER EMPLOYEE BENEFITS	17,882	11,525	64.5%	6,357
CITY PENSION PLAN CONTRIBUTION	100,146	59,905	59.8%	40,241
FICA CITY MATCH - CIVILIAN	38,297	21,897	57.2%	16,400
FICA MED- CITY MATCH-CIVILIAN	10,335	6,153	59.5%	4,182
Salaries Wages & Employee Benefits	<u>970,347</u>	<u>559,624</u>	57.7%	<u>410,723</u>
HEALTH CARE PROVIDERS SERVICES	2,500	450	18.0%	2,050
INTERPRETER SERVICES	500	-	0.0%	500
INVESTIGATIVE SERVICES	1,800	362	20.1%	1,438
DATA PROCESS SERVICES CONTRACT	81,500	40,000	49.1%	41,500
MAINT SVCS CONTRACT-JANITORIAL	13,400	7,401	55.2%	5,999
PRINTING SERVICES CONTRACTS	7,000	535	7.6%	6,465
SECURITY CONTRACTS	2,500	1,920	76.8%	580
OUTSIDE CONTRACTS - NOC	8,500	4,287	50.4%	4,213
PEST CONTROL CONTRACTS	1,000	285	28.5%	715
GROUNDKEEPING HORTI CONTRACTS	4,000	2,345	58.6%	1,655
OFFICE EQUIP MAINT CONTRACTS	1,600	-	0.0%	1,600
MAIL ROOM CHARGES	21,000	1,597	7.6%	19,403
COPIER CONTRACT SERVICES	4,000	984	24.6%	3,016
Contractual Services	<u>149,300</u>	<u>60,166</u>	40.3%	<u>89,134</u>
OFFICE SUPPLIES	9,000	5,702	63.4%	3,298
SUPPLIES COMPUTER EQUIPMENT	29,800	516	1.7%	29,284
CLEANING SUPPLIES	1,500	685	45.7%	815
BUILDING MAINTENANCE SUPPLIES	30,500	6,131	20.1%	24,369
DATA PROCESS EQUIP	5,300	-	0.0%	5,300
Material and Supplies	<u>76,100</u>	<u>13,034</u>	17.1%	<u>63,066</u>
PHONE & INTERNET	300	-	0.0%	300
LONG DISTANCE	100	-	0.0%	100
WIRELESS COMMUNICATION SERVICE	1,800	1,230	68.3%	570
POSTAGE	600	-	0.0%	600
ELECTRICITY	9,200	5,510	59.9%	3,690
WATER	7,000	4,226	60.4%	2,774
NATURAL GAS OTHER	4,000	3,237	80.9%	763
TRAVEL EXPENSES - EMPLOYEES	6,500	4,795	73.8%	1,705
TRAVEL EXPENSES - BOARD MEMBER	11,000	4,420	40.2%	6,580
MILEAGE ALLOWANCES	100	-	0.0%	100
OTHER SERVICES CHARGES EXPENSE	11,500	896	7.8%	10,604
VEHICLES - MAINT & REPAIRS	500	229	45.8%	271
SEMINARS CONTINUING EDUCATION	675	-	0.0%	675
PROFESSIONAL LICENSES & MEMBER INSURANCE	7,000	6,015	85.9%	985
Operating Expenditures	<u>90,746</u>	<u>84,513</u>	93.1%	<u>6,233</u>
MAJOR OFFICE EQUIP & APPLIANCE	-	-	0.0%	-
AUDIO VISUAL	-	-	0.0%	-
FURNITURE AND FIXTURES	-	-	0.0%	-
Capital Outlay	-	-	0.0%	-
Total In-House Administrative Expenses	<u>\$ 1,346,768</u>	<u>747,895</u>	55.5%	<u>\$ 598,873</u>
Expenses paid directly by Mellon Trust		<u>534,393</u>		
Total Administrative expenses		<u>\$ 1,282,288</u>		

Net YTD Investment Income Monthly through April 30, 2023 *(Millions)*



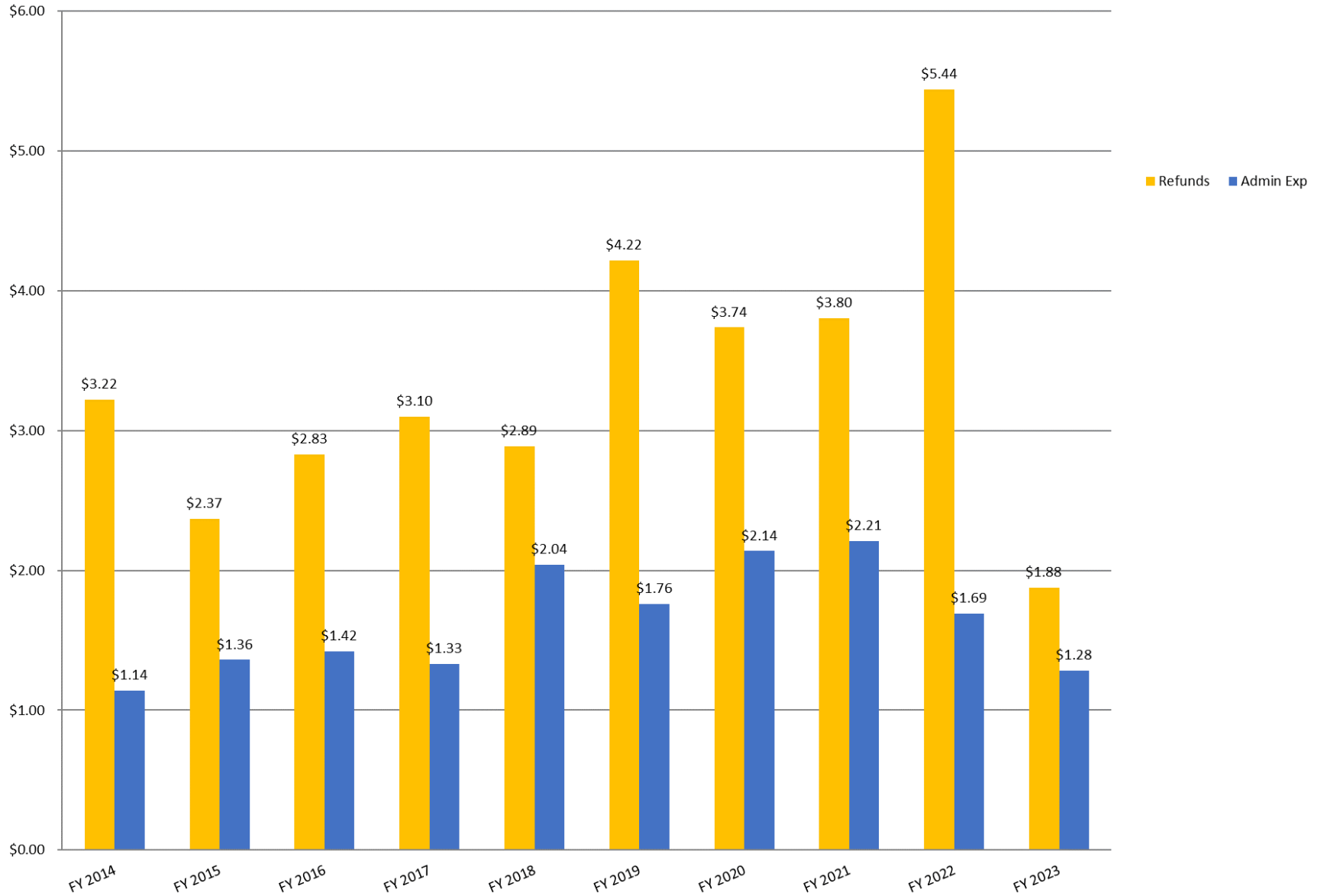
Net Investment Income Rate of Return Monthly through April 30, 2023



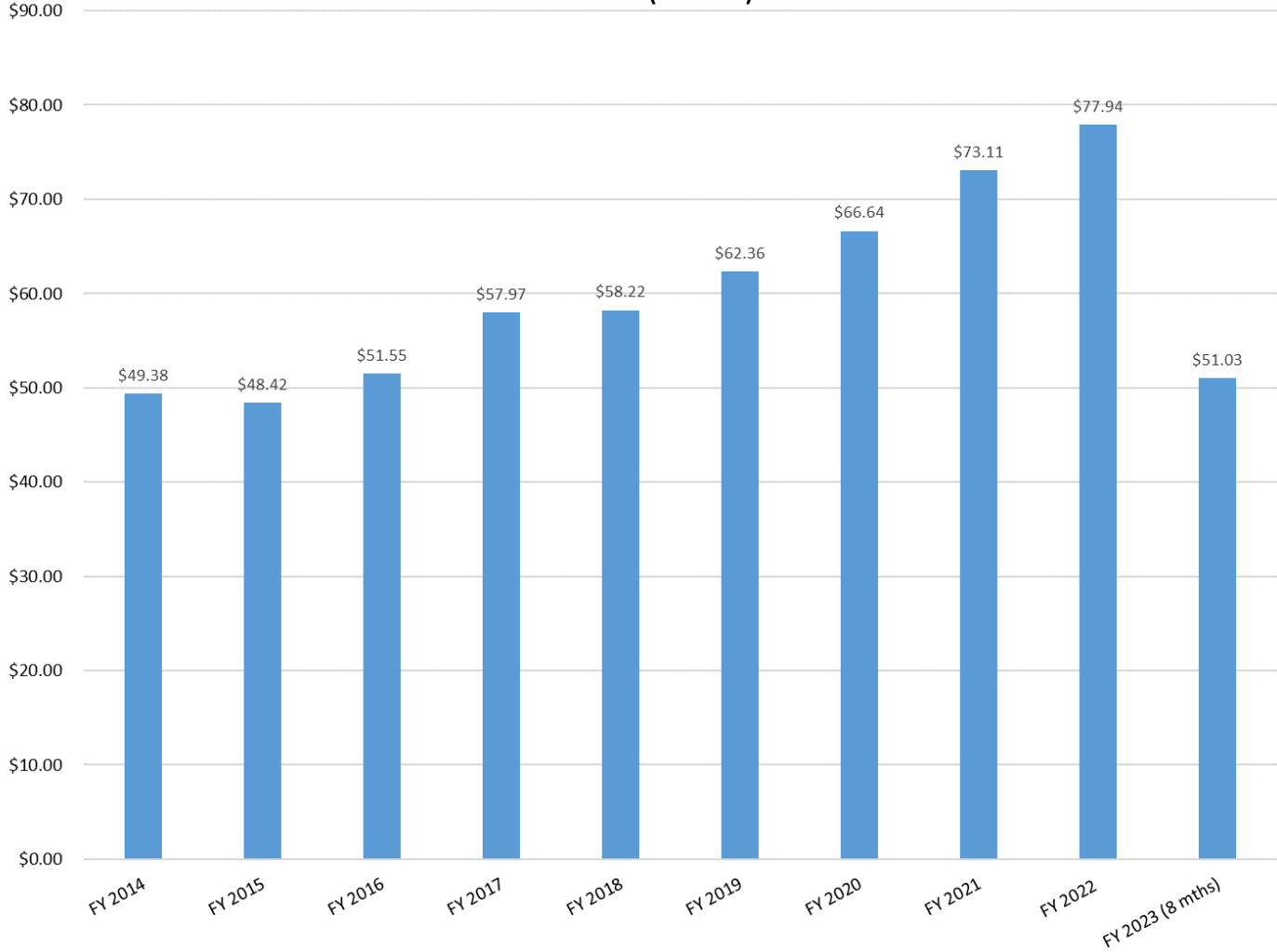
Refunds & Administrative Expenses

Yearly through April 30, 2023

(Millions)



**Benefits Paid to Retirees
Yearly through April 30, 2023
(Millions)**



**Note: Current Fiscal Year Annualized Benefit Amount \$76,545,206
13th Payments as follows: 05/20/2022- \$4,897,500; 07/21/2017 - \$2,198,400 and 05/08/2014 - \$3,480,689**