

# City of El Paso Employees Retirement Trust

## Treasurer's Report

Margarita M. Marin

Comptroller, City of El Paso

**December 31, 2023**

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

	Unaudited December 31, 2023	Unaudited August 31, 2023	Audited August 31, 2022	Audited August 31, 2021
<u>Assets</u>				
Cash and Investments (at fair value):				
Cash and Cash Equivalents	\$ 12,914,347	\$ 13,058,667	\$ 14,890,122	\$ 3,580,457
Cash in Escrow	1,434,113	1,434,113	1,481,799	1,656,688
Investments	923,355,172	892,007,587	889,739,882	1,030,992,346
Total Cash and Investments	<u>937,703,632</u>	<u>906,500,367</u>	<u>906,111,803</u>	<u>1,036,229,491</u>
Receivables				
Unrestricted	2,260,475	2,875,002	2,151,228	1,950,229
Restricted - commission credits	-	1,869	7,883	7,883
Total Receivables	<u>2,260,475</u>	<u>2,876,871</u>	<u>2,159,111</u>	<u>1,958,112</u>
Prepaid Expenses	-	25,035	23,210	24,021
Capital Assets	<u>2,274,409</u>	<u>2,274,409</u>	<u>2,274,409</u>	<u>2,516,531</u>
Total Assets	<u>942,238,516</u>	<u>911,676,682</u>	<u>910,568,533</u>	<u>1,040,728,155</u>
<u>Liabilities</u>				
Due to Brokers for Securities Purchased	633,050	618,266	-	-
Accrued Expenses	1,950,702	2,047,575	2,286,739	2,036,126
Deferred Revenue - commission credits	-	1,869	7,883	7,883
Total Liabilities	<u>2,583,752</u>	<u>2,667,710</u>	<u>2,294,622</u>	<u>2,044,009</u>
Net Assets Available for Benefits	<u>\$ 939,654,764</u>	<u>\$ 909,008,972</u>	<u>\$ 908,273,911</u>	<u>\$ 1,038,684,146</u>

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

	Unaudited Four Months Ended December 31, 2023	Unaudited Year Ended August 31, 2023	Audited Year Ended August 31, 2022	Audited Year Ended August 31, 2021
<u>Additions</u>				
Receipts				
Contributions-Employer	\$ 10,994,597	\$ 33,055,632	\$ 26,096,411	\$ 25,603,188
Contributions-Employee	6,345,375	18,582,860	16,665,780	15,099,360
Total Receipts	<u>17,339,972</u>	<u>51,638,492</u>	<u>42,762,191</u>	<u>40,702,548</u>
Investment Income				
Interest	676,571	2,194,209	793,010	1,049,280
Dividends	1,468,032	4,372,122	3,597,637	2,548,310
Net Change in Fair Value of Investments	39,275,951	27,010,442	(89,489,954)	201,182,318
Other	219,642	569,758	-	24,567
Less Investment Advisor Fees	(423,851)	(1,959,424)	(2,480,568)	(2,753,808)
Net Investment Income (Loss)	<u>41,216,345</u>	<u>32,187,107</u>	<u>(87,579,875)</u>	<u>202,050,667</u>
Total Net Additions (Reductions)	<u>58,556,317</u>	<u>83,825,599</u>	<u>(44,817,684)</u>	<u>242,753,215</u>
<u>Deductions</u>				
Benefits Paid to Retirees	26,328,326	77,122,747	77,720,687	73,024,342
Refunds	934,305	3,848,122	5,441,578	3,804,288
Prudential COLA Payments	16,000	48,000	216,000	84,000
Administrative Expenses	631,894	2,023,983	1,932,893	2,441,214
Legal Settlement	-	47,686	281,393	2,704,621
Total Deductions	<u>27,910,525</u>	<u>83,090,538</u>	<u>85,592,551</u>	<u>82,058,465</u>
Net Increase (Decrease)	<u>30,645,792</u>	<u>735,061</u>	<u>(130,410,235)</u>	<u>160,694,750</u>
Beginning Net Assets Available for Benefits	<u>909,008,972</u>	<u>908,273,911</u>	<u>1,038,684,146</u>	<u>877,989,396</u>
Ending Net Assets Available for Benefits	<u>\$ 939,654,764</u>	<u>\$ 909,008,972</u>	<u>\$ 908,273,911</u>	<u>\$ 1,038,684,146</u>

<u>Reconciliation to Mellon Statements</u>	
Reported per Mellon Statement (Cash Basis)	\$ 938,697,662
Adjustments to Accrual Basis:	
Audit Adjustments	(1,070,555)
Accrue Contributions(Employer)	1,266,277
Accrue Contributions(Employee)	806,578
Accrue Investment Advisor Fees	(194,702)
Accrue Administrative Expenses	(23,417)
Adjust for Prepaid Insurance	(25,038)
Land Sale	426,859
Legal Settlement paid thru WestStar Bank	(228,900)
Reported per Treasurer's Report (Accrual Basis)	<u>\$ 939,654,764</u>

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

	2nd QTR, FY 2024 <u>December 31, 2023</u>	1st QTR, FY 2024 <u>November 30, 2023</u>	4th QTR, FY 2023 <u>August 31, 2023</u>	3rd QTR, FY 2023 <u>May 31, 2023</u>	2nd QTR, FY 2023 <u>February 28, 2023</u>	1st QTR, FY 2023 <u>November 30, 2022</u>
<u>Additions</u>						
Receipts						
Contributions-Employer	\$ 2,978,817	\$ 8,015,780	\$ 8,972,860	\$ 9,096,316	\$ 7,390,429	\$ 7,596,027
Contributions-Employee	1,898,640	4,446,735	5,726,209	5,218,312	3,321,751	4,316,588
Total Receipts	<u>4,877,457</u>	<u>12,462,515</u>	<u>14,699,069</u>	<u>14,314,628</u>	<u>10,712,180</u>	<u>11,912,615</u>
Investment Income						
Interest	99,412	577,159	580,131	626,832	585,465	401,781
Dividends	287,337	1,180,695	1,129,665	1,153,749	1,067,381	1,021,327
Net Change in Fair Value of Investments	39,357,594	(81,643)	23,204,514	1,658,134	(1,974,945)	4,122,739
Other	51,362	168,280	206,401	206,351	157,006	-
Less Investment Advisor Fees	59,797	(483,648)	(416,439)	(663,024)	(270,353)	(609,608)
Net Investment Income (Loss)	<u>39,855,502</u>	<u>1,360,843</u>	<u>24,704,272</u>	<u>2,982,042</u>	<u>(435,446)</u>	<u>4,936,239</u>
Total Net Additions (Reductions)	<u>44,732,959</u>	<u>13,823,358</u>	<u>39,403,341</u>	<u>17,296,670</u>	<u>10,276,734</u>	<u>16,848,854</u>
<u>Deductions</u>						
Benefits Paid to Retirees	6,600,294	19,728,032	19,633,607	19,344,040	19,193,920	18,951,180
Refunds	269,593	664,712	1,389,591	1,035,242	717,606	705,683
Prudential COLA Payments	4,000	12,000	12,000	12,000	12,000	12,000
Administrative Expenses	136,083	495,811	629,329	484,272	474,258	436,124
Legal Settlement	-	-	47,686	-	-	-
Total Deductions	<u>7,009,970</u>	<u>20,900,555</u>	<u>21,712,213</u>	<u>20,875,554</u>	<u>20,397,784</u>	<u>20,104,987</u>
Net Increase (Decrease)	<u>37,722,989</u>	<u>(7,077,197)</u>	<u>17,691,128</u>	<u>(3,578,884)</u>	<u>(10,121,050)</u>	<u>(3,256,133)</u>
Beginning Net Assets Available for Benefits	<u>901,931,775</u>	<u>909,008,972</u>	<u>891,317,844</u>	<u>894,896,728</u>	<u>905,017,778</u>	<u>908,273,911</u>
Ending Net Assets Available for Benefits	<u>\$ 939,654,764</u>	<u>\$ 901,931,775</u>	<u>\$ 909,008,972</u>	<u>\$ 891,317,844</u>	<u>\$ 894,896,728</u>	<u>\$ 905,017,778</u>

City of El Paso Employees Retirement Trust  
Investment Income Analysis

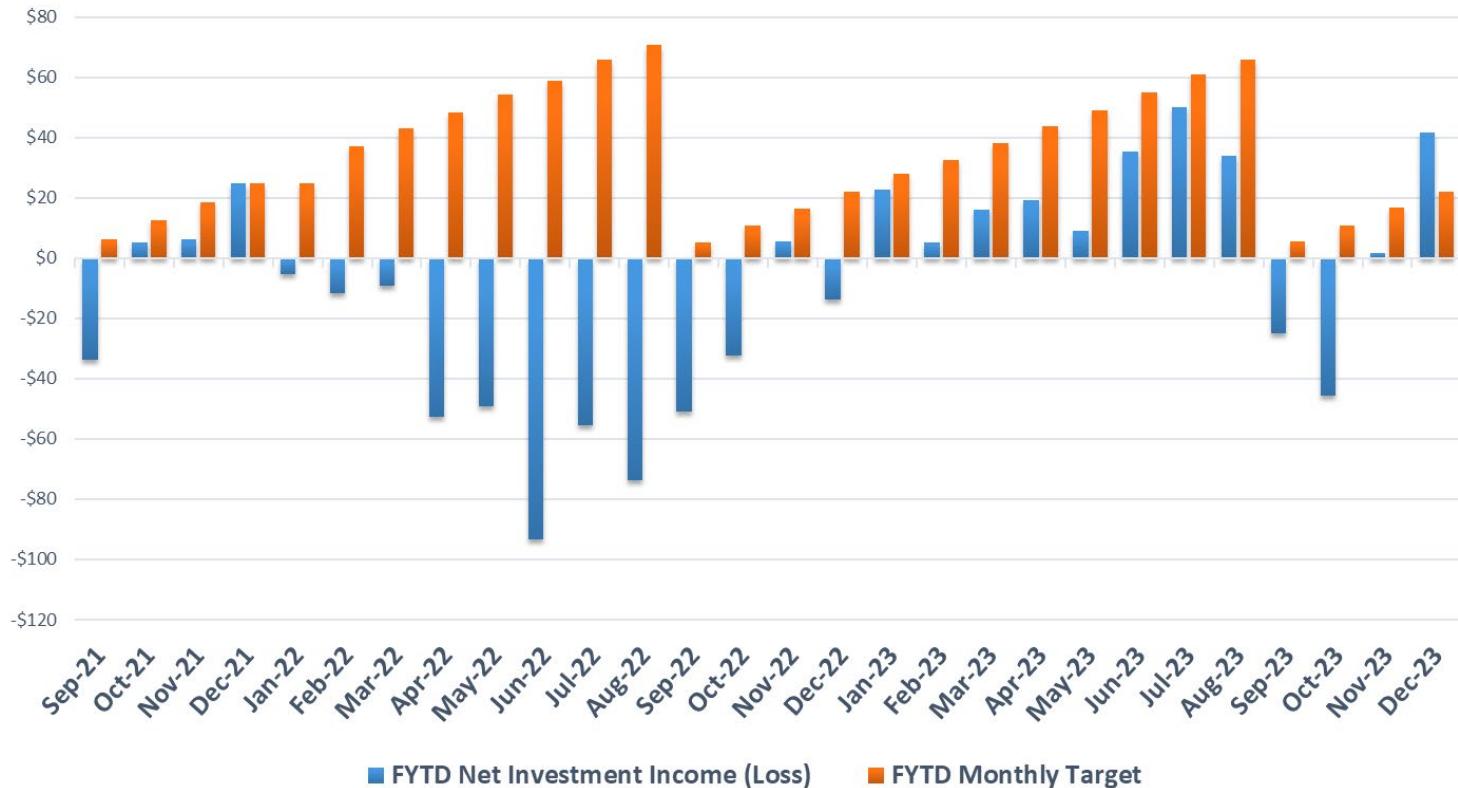
	Year to Date	Month			
	December 31, 2023	December	November	October	September
<u>Detail</u>					
Interest	\$ 676,571	\$ 99,412	\$ 102,350	\$ 392,243	\$ 82,566
Dividends	1,468,032	287,337	316,211	587,262	277,222
Realized Gain/Loss	4,581,372	1,252,275	34,970	78,410	3,215,717
Unrealized Gain/Loss-Investments	34,692,945	38,104,206	47,011,248	(21,801,112)	(28,621,397)
Unrealized Gain/Loss Currency	1,634	1,113	1,495	166	(1,140)
Other	219,642	51,362	49,681	51,897	66,702
Per Statement of Changes in Net Assets	<u>\$ 41,640,196</u>	<u>\$ 39,795,705</u>	<u>\$ 47,515,955</u>	<u>\$ (20,691,134)</u>	<u>\$ (24,980,330)</u>

<u>Summary</u>	
Interest	\$ 676,571
Dividends	1,468,032
Net Market Value Appreciation	<u>39,495,593</u>
Net Investment Income (NII)	<u>\$ 41,640,196</u>
Fiscal Year NII to Date / Avg Available Net Assets	4.50%
Net Assets Available for Benefits - August 31, 2023	\$ 909,008,972
Target Rate of Return	7.25%
Cumulative Target Rate of Return	2.42%
Fiscal Year 2024 NII Target	\$ 66,627,300

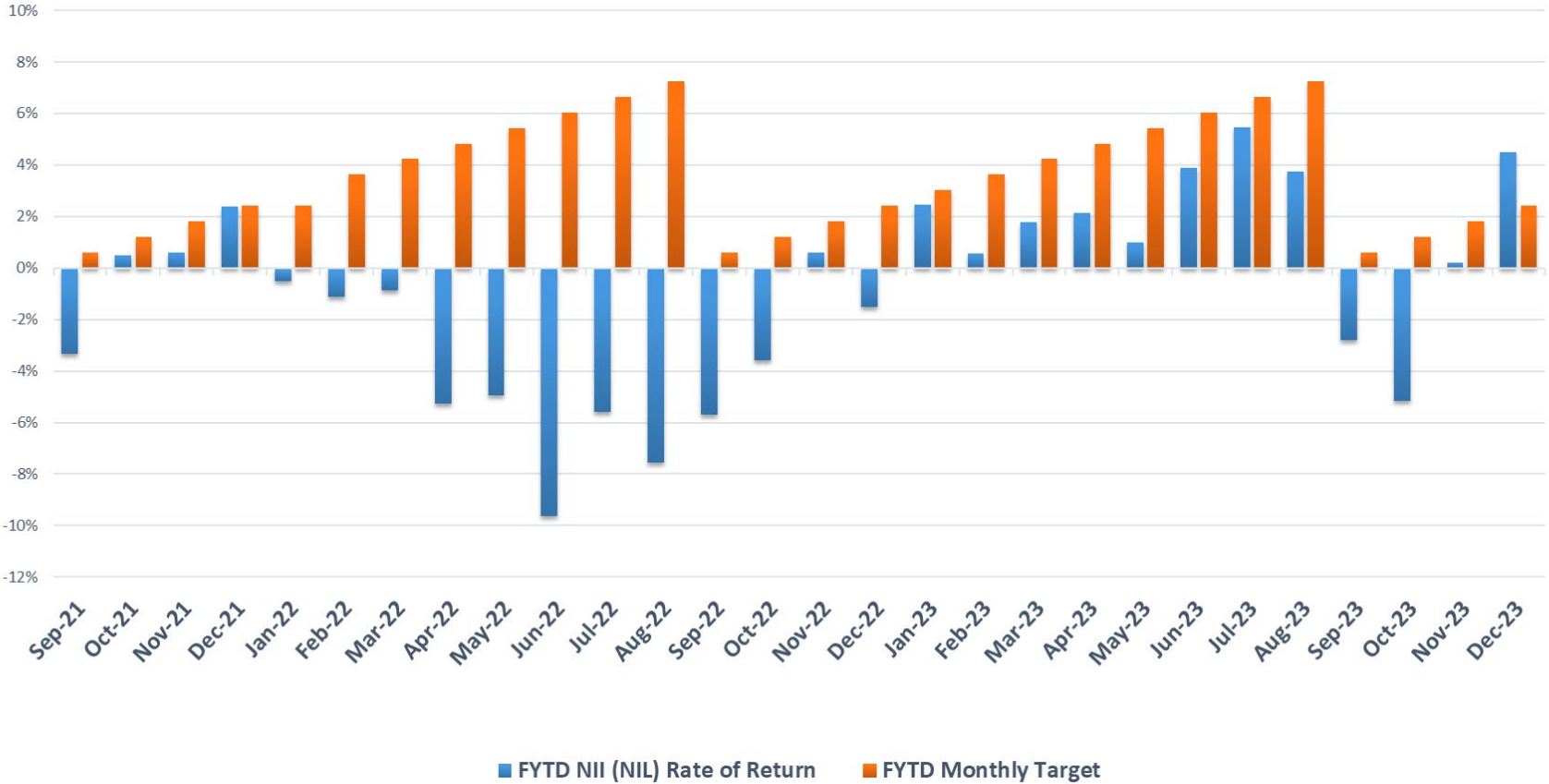
CITY OF EL PASO EMPLOYEES RETIREMENT TRUST  
 CITY PENSION ADMINISTRATION ACTUAL/BUDGET COMPARISON  
 For Four Months Ended December 31, 2023

DESCRIPTION	BUDGET	ACTUAL	PERCENT UTILIZED	UNDER(OVER) BUDGET
<u>EXPENDITURES</u>				
NON-UNIFORM WAGES AND SALARIES	\$ 763,395	\$ 220,797	28.9%	\$ 542,598
SHIFT DIFFERENTIAL - CIVILIAN	25	-	0.0%	25
EQUIPMENT ALLOWANCE	3,800	1,058	27.8%	2,742
TEMPORARY SERVICES CONTRACTS	80,000	0	0.0%	80,000
WORKERS COMPENSATION- CIVILIAN	2,290	685	29.9%	1,605
UNEMPLOYMENT COMPEN - CIVILIAN	760	223	29.3%	537
POS CITY - EMPLOYER CONTRIB	39,602	8,794	22.2%	30,808
LIFE INSURANCE - CIVILIAN	400	85	0.0%	315
ALLOW(EXC MIL& UNIF)-CIVILIA	4,850	1,411	29.1%	3,439
INSURANCE & ANCILLARY BENEFITS	36,370	1,319	3.6%	35,051
OTHER EMPLOYEE BENEFITS	17,882	5,120	28.6%	12,762
CITY PENSION PLAN CONTRIBUTION	106,835	29,628	27.7%	77,207
FICA CITY MATCH - CIVILIAN	41,200	9,051	22.0%	32,149
FICA MED- CITY MATCH-CIVILIAN	11,026	3,203	29.1%	7,823
Salaries Wages & Employee Benefits	<u>1,108,437</u>	<u>281,374</u>	25.4%	<u>827,063</u>
HEALTH CARE PROVIDERS SERVICES	2,500	-	0.0%	2,500
INTERPRETER SERVICES	500	-	0.0%	500
INVESTIGATIVE SERVICES	1,800	-	0.0%	1,800
DATA PROCESS SERVICES CONTRACT	81,500	40,000	49.1%	41,500
MAINT SVCS CONTRACT-JANITORIAL	13,700	3,305	24.1%	10,395
PRINTING SERVICES CONTRACTS	7,000	535	7.6%	6,465
SECURITY CONTRACTS	2,500	600	24.0%	1,900
OUTSIDE CONTRACTS - NOC	15,700	-	0.0%	15,700
PEST CONTROL CONTRACTS	1,000	-	0.0%	1,000
GROUNDKEEPING HORTI CONTRACTS	4,000	-	0.0%	4,000
OFFICE EQUIP MAINT CONTRACTS	1,600	-	0.0%	1,600
MAIL ROOM CHARGES	30,000	6,173	20.6%	23,827
COPIER CONTRACT SERVICES	4,000	410	10.3%	3,590
Contractual Services	<u>165,800</u>	<u>51,023</u>	30.8%	<u>114,777</u>
OFFICE SUPPLIES	9,000	4,752	52.8%	4,248
SUPPLIES COMPUTER EQUIPMENT	29,800	832	2.8%	28,968
CLEANING SUPPLIES	1,500	-	0.0%	1,500
BUILDING MAINTENANCE SUPPLIES	40,500	5,801	14.3%	34,699
DATA PROCESS EQUIP	4,500	-	0.0%	4,500
Material and Supplies	<u>85,300</u>	<u>11,385</u>	13.3%	<u>73,915</u>
PHONE & INTERNET	300	-	0.0%	300
LONG DISTANCE	100	-	0.0%	100
WIRELESS COMMUNICATION SERVICE	2,100	332	15.8%	1,768
POSTAGE	600	72	12.0%	528
ELECTRICITY	11,500	2,334	20.3%	9,166
WATER	7,000	2,517	36.0%	4,483
NATURAL GAS OTHER	4,500	1,064	23.6%	3,436
TRAVEL EXPENSES - EMPLOYEES	10,100	2,711	26.8%	7,389
TRAVEL EXPENSES - BOARD MEMBER	16,000	14	0.1%	15,986
MILEAGE ALLOWANCES	100	-	0.0%	100
OTHER SERVICES CHARGES EXPENSE	11,500	245	2.1%	11,255
VEHICLES - MAINT & REPAIRS	500	-	0.0%	500
SEMINARS CONTINUING EDUCATION	675	-	0.0%	675
PROFESSIONAL LICENSES & MEMBER INSURANCE	7,000	5,178	74.0%	1,822
Operating Expenditures	<u>166,075</u>	<u>24,550</u>	14.8%	<u>141,525</u>
Total In-House Administrative Expenses	<u>\$ 1,525,612</u>	<u>368,332</u>	24.1%	<u>\$ 1,157,280</u>
Expenses paid directly by Mellon Trust		<u>263,562</u>		
Total Administrative expenses		<u>\$ 631,894</u>		

## Net YTD Investment Income Monthly through December 31, 2023 *(Millions)*

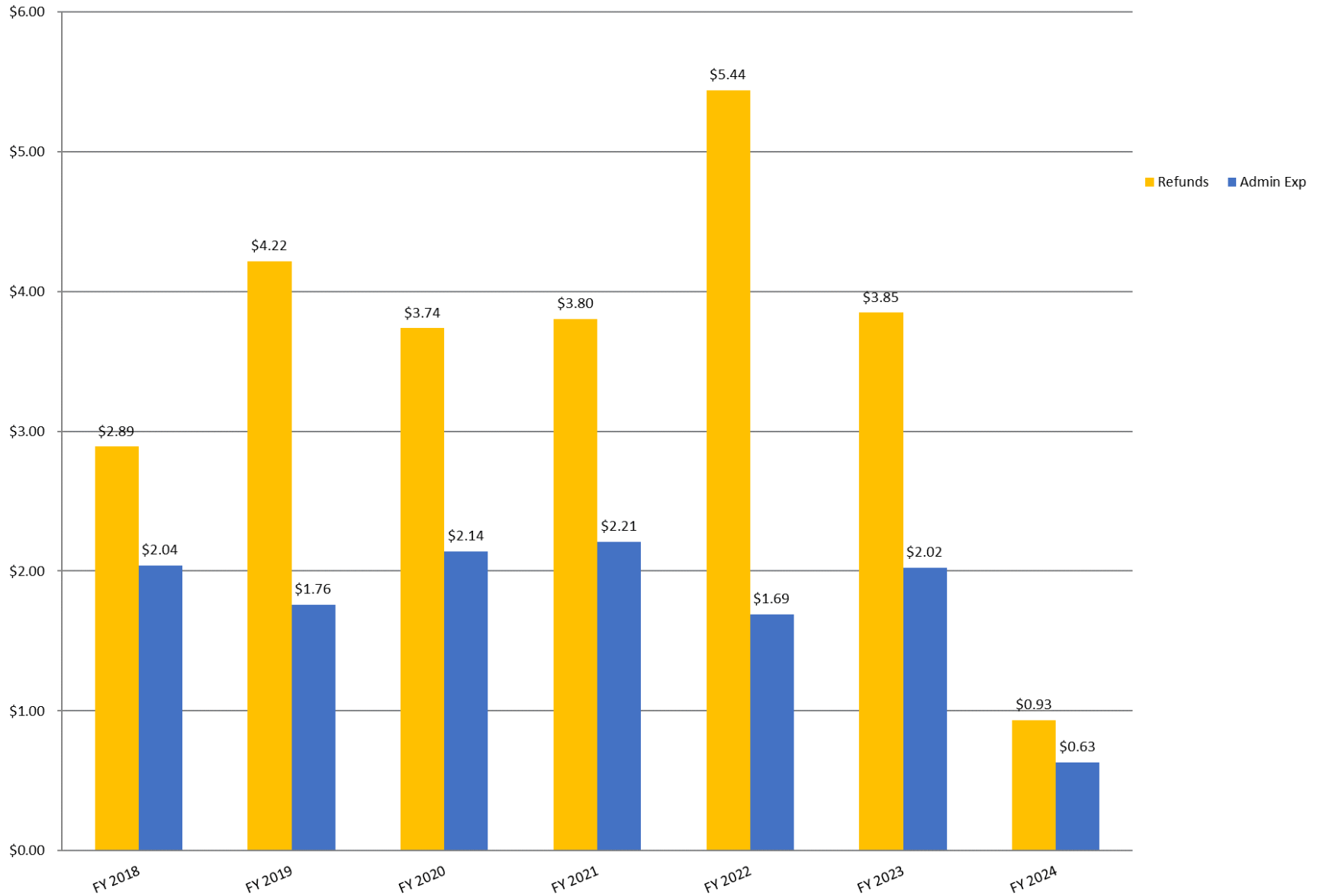


### Net Investment Income Rate of Return Monthly through December 31, 2023

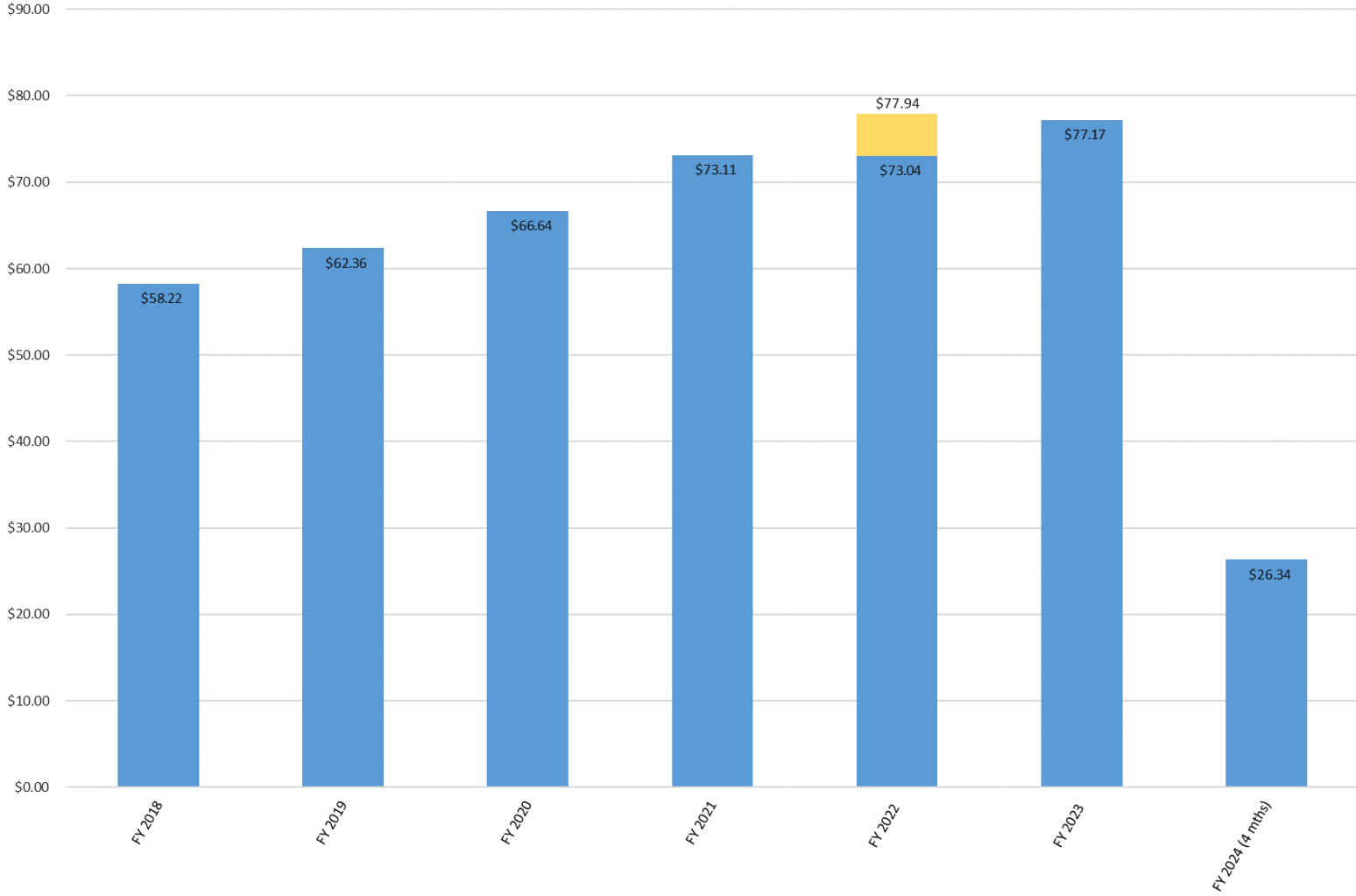




# Refunds & Administrative Expenses Yearly through December 31, 2023 (Millions)



**Benefits Paid to Retirees  
Yearly through December 31, 2023  
(Millions)**



**Note: Current Fiscal Year Annualized Benefit Amount \$79,032,978  
13th Payment as follows: 05/20/2022- \$4,897,500**