

City of El Paso Employees Retirement Trust

Treasurer's Report

Margarita M. Marin

Deputy CFO – Comptroller

City of El Paso

December 31, 2025

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

<u>Assets</u>	Unaudited	Unaudited	Audited	Audited
	December 31, 2025	August 31, 2025	August 31, 2024	August 31, 2023
Cash and Investments (at fair value):				
Cash and Cash Equivalents	\$ 14,587,185	\$ 15,206,897	\$ 8,990,085	\$ 8,049,200
Cash in Escrow	-	-	-	1,434,113
Investments	<u>1,082,831,908</u>	<u>1,037,995,062</u>	<u>979,678,345</u>	<u>902,562,095</u>
Total Cash and Investments	<u>1,097,419,093</u>	<u>1,053,201,959</u>	<u>988,668,430</u>	<u>912,045,408</u>
Receivables				
Unrestricted	3,812,835	1,806,433	1,574,737	2,875,002
Restricted - commission credits	-	-	-	1,869
Total Receivables	<u>3,812,835</u>	<u>1,806,433</u>	<u>1,574,737</u>	<u>2,876,871</u>
Prepaid Expenses	-	25,943	25,445	25,035
Capital Assets	<u>1,808,371</u>	<u>1,808,371</u>	<u>1,808,371</u>	<u>2,032,287</u>
Total Assets	<u>1,103,040,299</u>	<u>1,056,842,706</u>	<u>992,076,983</u>	<u>916,979,601</u>
<u>Liabilities</u>				
Accrued Expenses	31,283	99,690	1,141,480	2,665,841
Deferred Revenue - commission credits	-	-	-	1,869
Total Liabilities	<u>31,283</u>	<u>99,690</u>	<u>1,141,480</u>	<u>2,667,710</u>
Net Assets Available for Benefits	<u>\$ 1,103,009,016</u>	<u>\$ 1,056,743,016</u>	<u>\$ 990,935,503</u>	<u>\$ 914,311,891</u>

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

	Unaudited	Unaudited	Audited	Audited
	Four Months Ended	Year Ended	Year Ended	Year Ended
	December 31, 2025	August 31, 2025	August 31, 2024	August 31, 2023
<u>Additions</u>				
Receipts				
Contributions-Employer	\$ 13,558,978	\$ 38,532,579	\$ 36,725,294	\$ 33,055,632
Contributions-Employee	8,673,443	24,647,340	19,221,450	18,582,860
Total Receipts	<u>22,232,421</u>	<u>63,179,919</u>	<u>55,946,744</u>	<u>51,638,492</u>
Investment Income				
Interest	422,241	2,048,428	2,205,574	2,194,209
Dividends	2,176,419	6,108,606	5,172,263	4,372,122
Net Change in Fair Value of Investments	52,804,168	85,856,547	103,144,695	33,125,191
Other	-	47,936	-	-
Less Investment Advisor Fees	-	(1,967,333)	(1,975,655)	(1,959,424)
Miscellaneous Income	-	-	583	50
Net Investment Income (Loss)	<u>55,402,828</u>	<u>92,094,184</u>	<u>108,547,460</u>	<u>37,732,148</u>
Total Net Additions (Reductions)	<u>77,635,249</u>	<u>155,274,103</u>	<u>164,494,204</u>	<u>89,370,640</u>
<u>Deductions</u>				
Benefits Paid to Retirees	28,499,283	83,000,129	79,952,333	77,122,747
Refunds	2,237,336	4,285,175	3,777,606	3,848,122
Prudential COLA Payments	12,000	36,000	48,000	48,000
Administrative Expenses	620,630	2,145,286	2,658,478	2,266,105
Legal Settlement	-	-	1,434,175	47,686
Total Deductions	<u>31,369,249</u>	<u>89,466,590</u>	<u>87,870,592</u>	<u>83,332,660</u>
Net Increase (Decrease)	<u>46,266,000</u>	<u>65,807,513</u>	<u>76,623,612</u>	<u>6,037,980</u>
Beginning Net Assets Available for Benefits	<u>1,056,743,016</u>	<u>990,935,503</u>	<u>914,311,891</u>	<u>908,273,911</u>
Ending Net Assets Available for Benefits	<u>\$ 1,103,009,016</u>	<u>\$ 1,056,743,016</u>	<u>\$ 990,935,503</u>	<u>\$ 914,311,891</u>

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

	2nd QTR, FY 2026	1st QTR, FY 2026	4th QTR, FY 2025	3rd QTR, FY 2025	2nd QTR, FY 2025	1st QTR, FY 2025
	December 31, 2025	November 30, 2025	August 31, 2025	May 31, 2025	February 28, 2025	November 30, 2024
<u>Additions</u>						
Receipts						
Contributions-Employer	\$ 3,475,165	\$ 10,083,813	\$ 10,099,808	\$ 9,816,137	\$ 9,286,680	\$ 9,329,954
Contributions-Employee	2,212,093	6,461,350	6,429,606	6,254,078	5,908,178	6,055,478
Total Receipts	5,687,258	16,545,163	16,529,414	16,070,215	15,194,858	15,385,432
Investment Income						
Interest	271,902	150,339	656,428	406,672	474,515	510,813
Dividends	419,948	1,756,471	1,805,170	1,219,236	1,656,329	1,427,871
Net Change in Fair Value of Investments	8,037,374	44,766,794	53,730,378	13,479,441	1,477,792	17,168,936
Other	-	-	-	-	6,330	41,606
Less Investment Advisor Fees	-	-	(453,639)	(438,477)	(626,380)	(448,837)
Net Investment Income (Loss)	8,729,224	46,673,604	55,738,337	14,666,872	2,988,586	18,700,389
Total Net Additions (Reductions)	14,416,482	63,218,767	72,267,751	30,737,087	18,183,444	34,085,821
<u>Deductions</u>						
Benefits Paid to Retirees	7,136,775	21,362,508	21,165,121	20,857,571	20,604,868	20,372,569
Refunds	763,706	1,473,630	824,927	1,128,953	1,095,174	1,236,121
Prudential COLA Payments	3,000	9,000	9,000	9,000	9,000	9,000
Administrative Expenses	106,620	514,010	525,349	521,637	586,503	511,797
Total Deductions	8,010,101	23,359,148	22,524,397	22,517,161	22,295,545	22,129,487
Net Increase (Decrease)	6,406,381	39,859,619	49,743,354	8,219,926	(4,112,101)	11,956,334
Beginning Net Assets Available for Benefits	1,096,602,635	1,056,743,016	1,006,999,662	998,779,736	1,002,891,837	990,935,503
Ending Net Assets Available for Benefits	\$ 1,103,009,016	\$ 1,096,602,635	\$ 1,056,743,016	\$ 1,006,999,662	\$ 998,779,736	\$ 1,002,891,837

**City of El Paso Employees Retirement Trust
Investment Income Analysis**

	Year to Date	Month				
		December	November	October	September	
Interest	\$ 422,241	\$ 271,902	\$ 36,867	\$ 54,522	\$ 58,950	
Dividends	2,176,419	419,948	347,260	1,045,281	363,930	
Realized Gain	16,282,557	11,658,703	2,502,105	181,283	1,940,466	
Unrealized Gain/(Loss) - Investments	36,521,611	(3,621,329)	8,478,068	9,506,215	22,158,657	
Per Statement of Changes in Net Assets	<u>\$ 55,402,828</u>	<u>\$ 8,729,224</u>	<u>\$ 11,364,300</u>	<u>\$ 10,787,301</u>	<u>\$ 24,522,003</u>	

Summary

Interest	\$ 422,241
Dividends	2,176,419
Net Market Value Appreciation	<u>52,804,168</u>
Net Investment Income (NII)	<u>\$ 55,402,828</u>

Fiscal Year NII to Date / Avg Available Net Assets 5.13%

Net Assets Available for Benefits - August 31, 2025 \$ 1,056,743,016

Target Rate of Return 7.25%

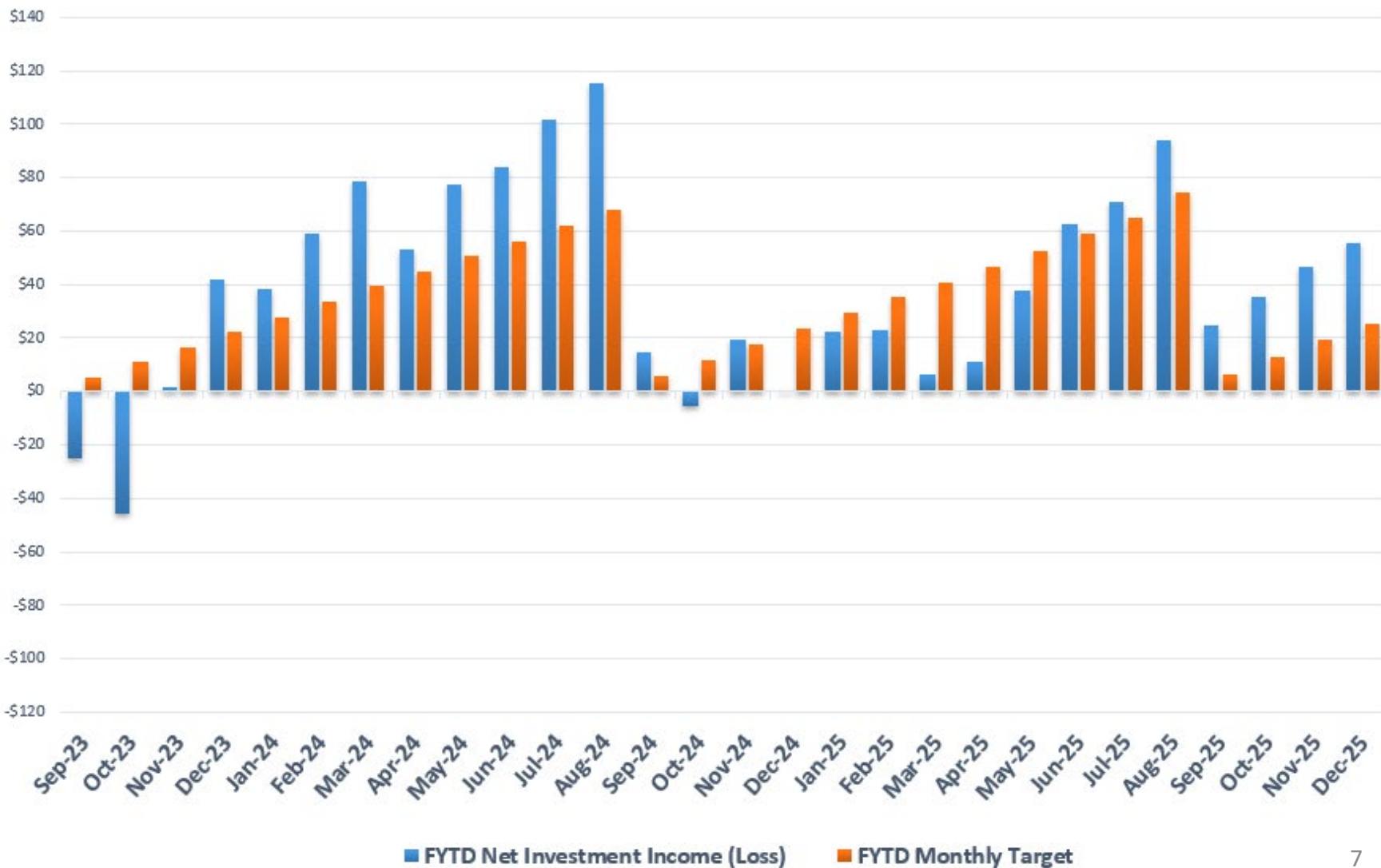
Cumulative Target Rate of Return 2.42%

Fiscal Year 2026 NII Target \$ 76,613,869

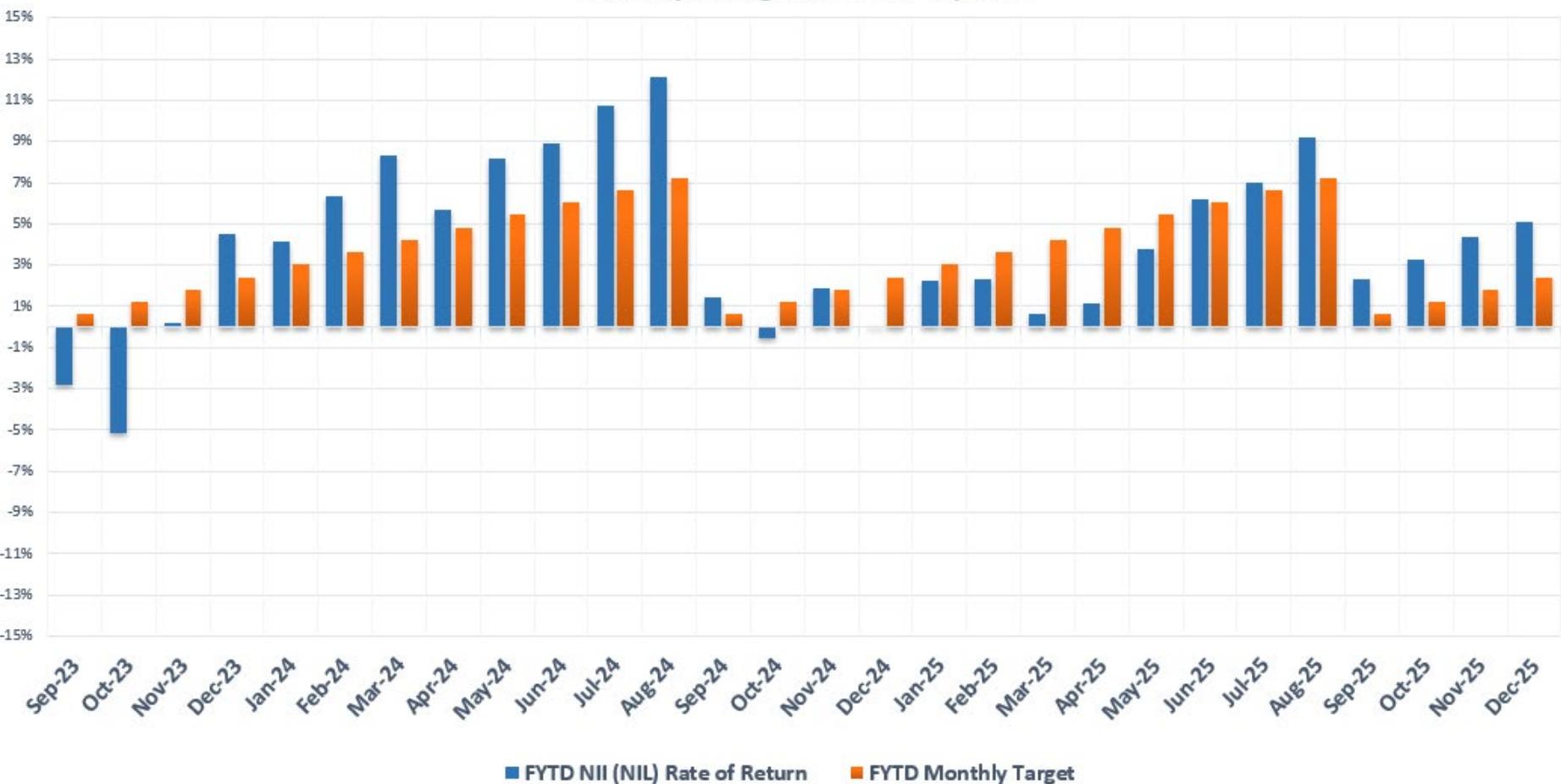
CITY OF EL PASO EMPLOYEES RETIREMENT TRUST
CITY PENSION ADMINISTRATION ACTUAL/BUDGET COMPARISON
For Four Months Ended December 31, 2025

<u>DESCRIPTION</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>PERCENT UTILIZED</u>	<u>PERCENT UNDER(OVER) BUDGET</u>
NON-UNIFORM WAGES AND SALARIES	\$ 938,983	\$ 230,948	24.6%	\$ 708,035
SHIFT DIFFERENTIAL - CIVILIAN	25	-	0.0%	25
EQUIPMENT ALLOWANCE	3,800	1,029	27.1%	2,771
TEMPORARY SERVICES CONTRACTS	80,000	0	0.0%	80,000
WORKERS COMPENSATION- CIVILIAN	2,817	704	25.0%	2,113
UNEMPLOYMENT COMPEN - CIVILIAN	889	233	26.2%	656
POS CITY - EMPLOYER CONTRIB	53,894	11,225	20.8%	42,669
LIFE INSURANCE - CIVILIAN	400	92	0.0%	308
ALLOW(EXC MIL& UNIF)-CIVILIA	4,850	1,371	28.3%	3,479
INSURANCE & ANCILLARY BENEFITS	36,370	1,319	3.6%	35,051
OTHER EMPLOYEE BENEFITS	17,882	5,161	28.9%	12,721
CITY PENSION PLAN CONTRIBUTION	124,932	32,445	26.0%	92,487
FICA CITY MATCH - CIVILIAN	49,559	9,171	18.5%	40,388
FICA MED- CITY MATCH-CIVILIAN	13,159	3,346	25.4%	9,813
Salaries Wages & Employee Benefits	<u>1,327,560</u>	<u>297,044</u>	<u>22.4%</u>	<u>1,030,516</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	85,000	42,848	50.4%	42,152
MAINT SVCS CONTRACT-JANITORIAL	13,700	3,375	24.6%	10,325
PRINTING SERVICES CONTRACTS	7,000	627	9.0%	6,373
SECURITY CONTRACTS	3,350	360	10.7%	2,990
OUTSIDE CONTRACTS - NOC	776,300	179,341	23.1%	596,959
PEST CONTROL CONTRACTS	1,000	143	14.3%	857
GROUNDKEEPING HORTI CONTRACTS	4,000	1,071	26.8%	2,929
OFFICE EQUIP MAINT CONTRACTS	1,100	-	0.0%	1,100
MAIL ROOM CHARGES	35,000	9,964	28.5%	25,036
COPIER CONTRACT SERVICES	4,000	-	0.0%	4,000
Contractual Services	<u>935,250</u>	<u>237,729</u>	<u>25.4%</u>	<u>697,521</u>
OFFICE SUPPLIES	10,000	2,518	25.2%	7,482
SUPPLIES COMPUTER EQUIPMENT	29,800	1,001	3.4%	28,799
CLEANING SUPPLIES	1,500	103	6.9%	1,397
BUILDING MAINTENANCE SUPPLIES	40,500	5,502	13.6%	34,998
DATA PROCESS EQUIP	4,500	-	0.0%	4,500
Material and Supplies	<u>86,300</u>	<u>9,124</u>	<u>10.6%</u>	<u>77,176</u>
PHONE & INTERNET	4,100	364	8.9%	3,736
LONG DISTANCE	-	-	0.0%	-
WIRELESS COMMUNICATION SERVICE	2,300	494	21.5%	1,806
POSTAGE	600	36	6.0%	564
ELECTRICITY	11,500	719	6.3%	10,781
WATER	7,000	2,978	42.5%	4,022
NATURAL GAS OTHER	4,500	878	19.5%	3,622
TRAVEL EXPENSES - EMPLOYEES	10,100	26	0.3%	10,074
TRAVEL EXPENSES - BOARD MEMBER	36,000	463	1.3%	35,537
MILEAGE ALLOWANCES	100	-	0.0%	100
OTHER SERVICES CHARGES EXPENSE	11,700	119	1.0%	11,581
VEHICLES - MAINT & REPAIRS	500	219	43.8%	281
SEMINARS CONTINUING EDUCATION	675	-	0.0%	675
PROFESSIONAL LICENSES & MEMBER	7,000	825	11.8%	6,175
INSURANCE	100,049	5,818	5.8%	94,231
Operating Expenditures	<u>196,124</u>	<u>12,939</u>	<u>6.6%</u>	<u>183,185</u>
AUDIO VISUAL	10,000	-	0.0%	10,000
FURNITURE AND FIXTURES	10,000	-	0.0%	10,000
Capital Assets	20,000	-		20,000
Total In-House Administrative Expenses	<u>\$ 2,565,234</u>	<u>556,836</u>	<u>21.7%</u>	<u>\$ 2,008,398</u>
Expenses paid directly by Mellon Trust		63,794		
Total Administrative Expenses		<u>\$ 620,630</u>		

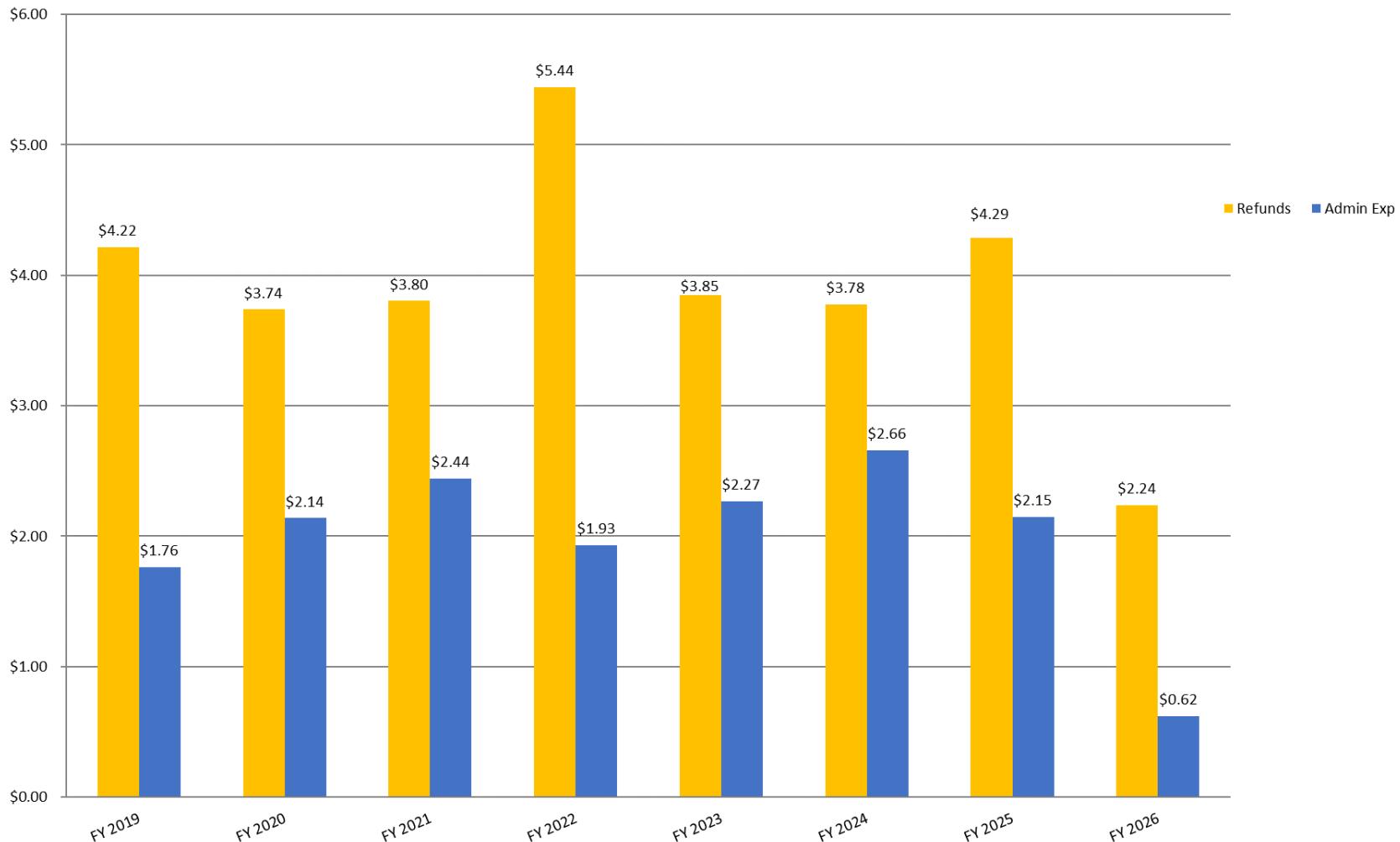
Net YTD Investment Income
Monthly through December 31, 2025
(Millions)



Net Investment Income Rate of Return
Monthly through December 31, 2025

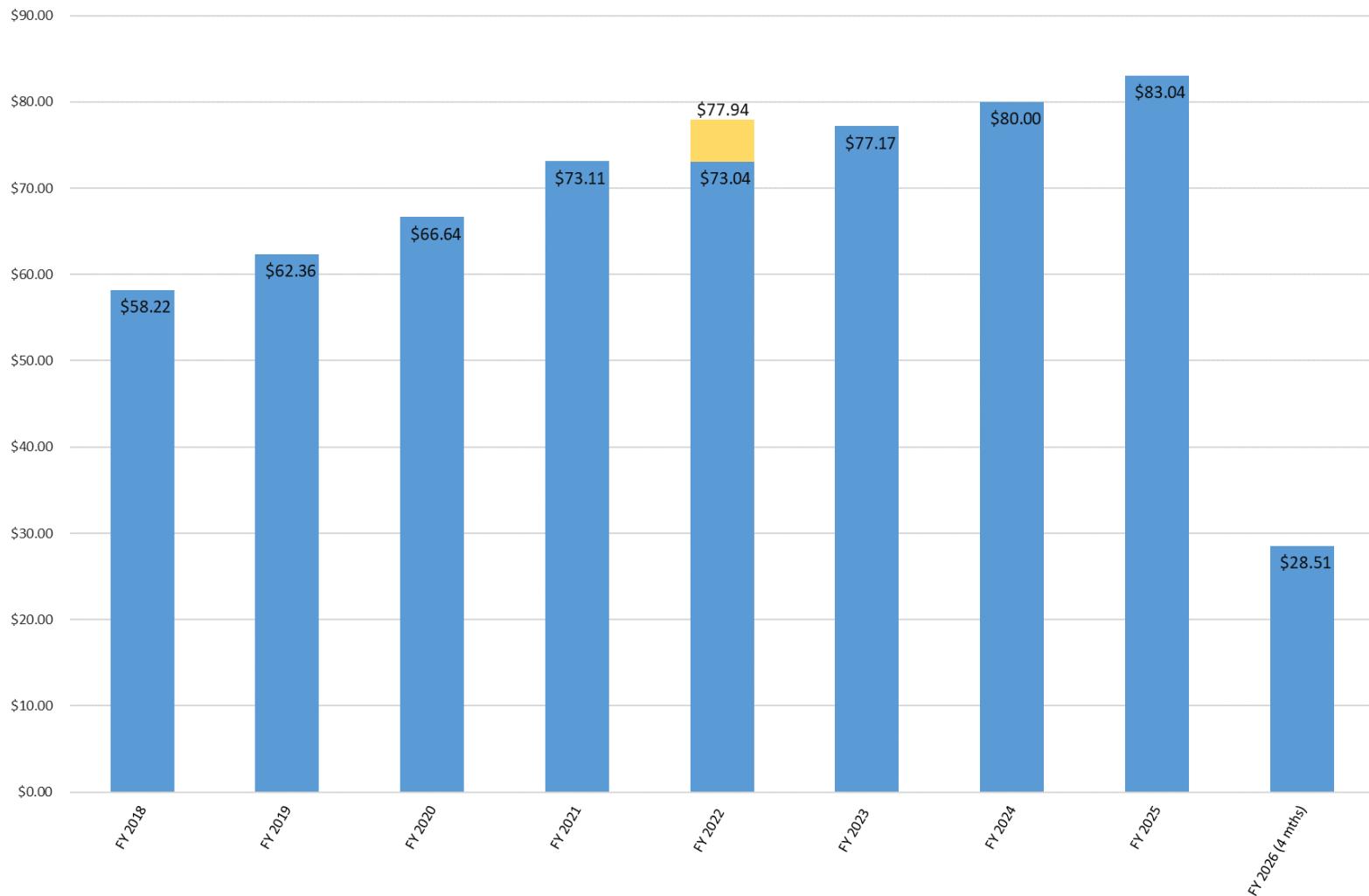


Refunds & Administrative Expenses
Yearly through December 31, 2025
(Millions)



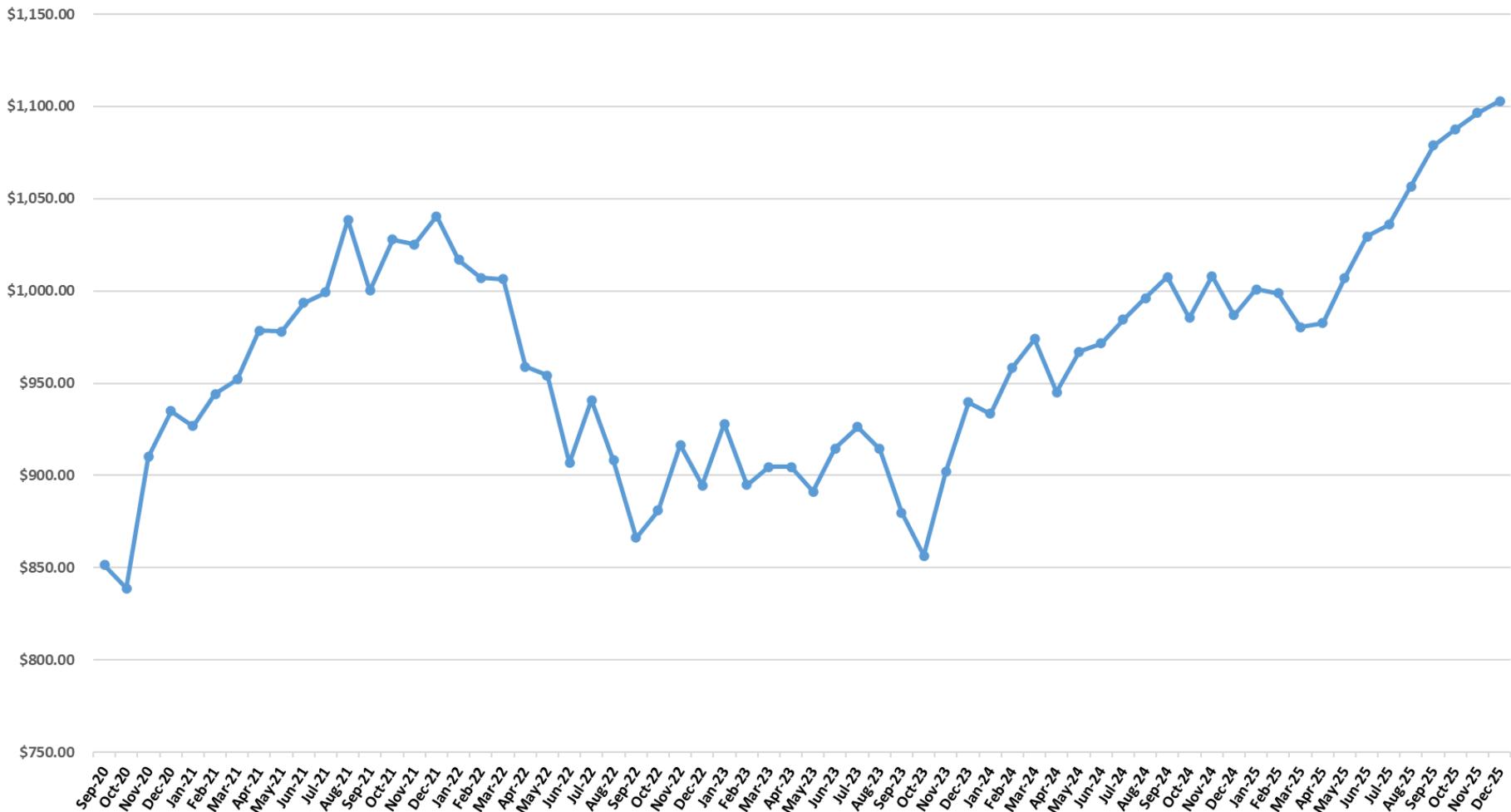
Note: Administrative Expenses (Admin Exp) are projected to increase starting in FY2026 as payment processing shifts from BNY to the City for certain expenditures.

Benefits Paid to Retirees
Yearly through December 31, 2025
(Millions)

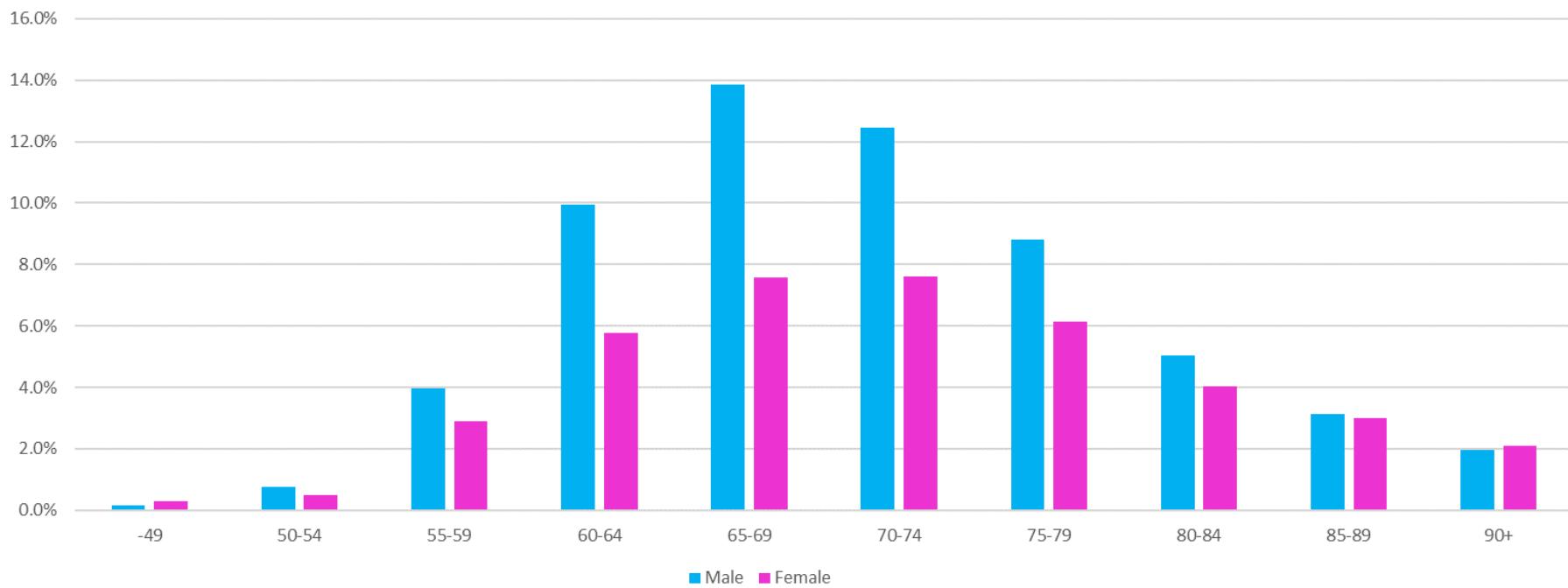


Note: Current Fiscal Year Annualized Benefit Amount \$85,533,849
13th Payment as follows: 05/20/2022- \$4,897,500

Net Assets Available for Benefits
Monthly through December 31, 2025
(Millions)



FY26 Pension Retiree Population Year to Date as of December 31, 2025



FY26 Retiree Benefit Paid
Year to Date as of December 31, 2025

