

City of El Paso Employees Retirement Trust

Treasurer's Report

Margarita M. Marin

Comptroller, City of El Paso

March 31, 2024

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

	Unaudited March 31, 2024	Audited August 31, 2023	Audited August 31, 2022	Audited August 31, 2021
<u>Assets</u>				
Cash and Investments (at fair value):				
Cash and Cash Equivalents	\$ 9,697,195	\$ 8,049,200	\$ 14,890,122	\$ 3,580,457
Cash in Escrow	1,434,113	1,434,113	1,481,799	1,656,688
Investments	961,917,663	902,562,095	889,739,882	1,030,992,346
Total Cash and Investments	<u>973,048,971</u>	<u>912,045,408</u>	<u>906,111,803</u>	<u>1,036,229,491</u>
Receivables				
Unrestricted	1,701,100	2,875,002	2,151,228	1,950,229
Restricted - commission credits	-	1,869	7,883	7,883
Total Receivables	<u>1,701,100</u>	<u>2,876,871</u>	<u>2,159,111</u>	<u>1,958,112</u>
Prepaid Expenses	57,250	25,035	23,210	24,021
Capital Assets	<u>2,032,287</u>	<u>2,032,287</u>	<u>2,274,409</u>	<u>2,516,531</u>
Total Assets	<u>976,839,608</u>	<u>916,979,601</u>	<u>910,568,533</u>	<u>1,040,728,155</u>
<u>Liabilities</u>				
Due to Brokers for Securities Purchased	677,533	618,266	-	-
Accrued Expenses	2,117,318	2,047,575	2,286,739	2,036,126
Deferred Revenue - commission credits	-	1,869	7,883	7,883
Total Liabilities	<u>2,794,851</u>	<u>2,667,710</u>	<u>2,294,622</u>	<u>2,044,009</u>
Net Assets Available for Benefits	<u>\$ 974,044,757</u>	<u>\$ 914,311,891</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 Seven Months Ended March 31, 2024	Audited Year Ended August 31, 2023	Audited Year Ended August 31, 2022	Audited Year Ended August 31, 2021
<u>Additions</u>				
Receipts				
Contributions-Employer	\$ 19,841,848	\$ 33,055,632	\$ 26,096,411	\$ 25,603,188
Contributions-Employee	11,642,552	18,582,860	16,665,780	15,099,360
Total Receipts	<u>31,484,400</u>	<u>51,638,492</u>	<u>42,762,191</u>	<u>40,702,548</u>
Investment Income				
Interest	1,219,057	2,194,209	793,010	1,049,280
Dividends	2,728,051	4,372,122	3,597,637	2,548,310
Net Change in Fair Value of Investments	74,217,373	33,125,191	(89,489,954)	201,182,318
Other	360,191	-	-	24,567
Less Investment Advisor Fees	(844,571)	(1,959,424)	(2,480,568)	(2,753,808)
Miscellaneous Income	-	50	-	-
Net Investment Income (Loss)	<u>77,680,101</u>	<u>37,732,148</u>	<u>(87,579,875)</u>	<u>202,050,667</u>
Total Net Additions (Reductions)	<u>109,164,501</u>	<u>89,370,640</u>	<u>(44,817,684)</u>	<u>242,753,215</u>
<u>Deductions</u>				
Benefits Paid to Retirees	46,304,772	77,122,747	77,720,687	73,024,342
Refunds	1,929,300	3,848,122	5,441,578	3,804,288
Prudential COLA Payments	28,000	48,000	216,000	84,000
Administrative Expenses	1,169,563	2,266,105	1,932,893	2,441,214
Legal Settlement	-	47,686	281,393	2,704,621
Total Deductions	<u>49,431,635</u>	<u>83,332,660</u>	<u>85,592,551</u>	<u>82,058,465</u>
Net Increase (Decrease)	<u>59,732,866</u>	<u>6,037,980</u>	<u>(130,410,235)</u>	<u>160,694,750</u>
Beginning Net Assets Available for Benefits	<u>914,311,891</u>	<u>908,273,911</u>	<u>1,038,684,146</u>	<u>877,989,396</u>
Ending Net Assets Available for Benefits	<u>\$ 974,044,757</u>	<u>\$ 914,311,891</u>	<u>\$ 908,273,911</u>	<u>\$ 1,038,684,146</u>
<u>Reconciliation to Mellon Statements</u>				
Reported per Mellon Statement (Cash Basis)	\$ 968,450,116			
Adjustments to Accrual Basis:				
Audit Adjustments	4,232,364			
Accrue Contributions(Employer)	926,592			
Accrue Contributions(Employee)	590,248			
Accrue Investment Advisor Fees	(371,201)			
Accrue Administrative Expenses	(13,534)			
Adjust for Prepaid Insurance	32,213			
Land Sale	426,859			
Legal Settlement paid thru WestStar Bank	(228,900)			
Reported per Treasurer's Report (Accrual Basis)	<u>\$ 974,044,757</u>			

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

	3rd QTR, FY 2024 March 31, 2024	2nd QTR, FY 2024 February 28, 2024	1st QTR, FY 2024 November 30, 2023	4th QTR, FY 2023 August 31, 2023	3rd QTR, FY 2023 May 31, 2023	2nd QTR, FY 2023 February 28, 2023	1st QTR, FY 2023 November 30, 2022
<u>Additions</u>							
Receipts							
Contributions-Employer	\$ 2,152,670	\$ 9,673,398	\$ 8,015,780	\$ 8,972,860	\$ 9,096,316	\$ 7,390,429	\$ 7,596,027
Contributions-Employee	1,027,580	6,168,237	4,446,735	5,726,209	5,218,312	3,321,751	4,316,588
Total Receipts	<u>3,180,250</u>	<u>15,841,635</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	80,427	561,471	577,159	580,131	626,832	585,465	401,781
Dividends	310,636	1,236,720	1,180,695	1,129,665	1,153,749	1,067,381	1,021,327
Net Change in Fair Value of Investments	18,935,643	55,363,373	(81,643)	28,749,505	1,658,134	(1,974,945)	4,122,739
Other	41,185	150,726	168,280	206,401	206,351	157,006	-
Less Investment Advisor Fees	223,453	(584,376)	(483,648)	(416,439)	(663,024)	(270,353)	(609,608)
Miscellaneous Income	-	-	-	50	-	-	-
Net Investment Income (Loss)	<u>19,591,344</u>	<u>56,727,914</u>	<u>1,360,843</u>	<u>30,249,313</u>	<u>2,982,042</u>	<u>(435,446)</u>	<u>4,936,239</u>
Total Net Additions (Reductions)	<u>22,771,594</u>	<u>72,569,549</u>	<u>13,823,358</u>	<u>44,948,382</u>	<u>17,296,670</u>	<u>10,276,734</u>	<u>16,848,854</u>
<u>Deductions</u>							
Benefits Paid to Retirees	6,692,244	19,884,496	19,728,032	19,633,607	19,344,040	19,193,920	18,951,180
Refunds	131,519	1,133,069	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	12,000
Administrative Expenses	250,114	423,638	495,811	871,451	484,272	474,258	436,124
Legal Settlement	-	-	-	47,686	-	-	-
Total Deductions	<u>7,077,877</u>	<u>21,453,203</u>	<u>20,900,555</u>	<u>21,954,335</u>	<u>20,875,554</u>	<u>20,397,784</u>	<u>20,104,987</u>
Net Increase (Decrease)	<u>15,693,717</u>	<u>51,116,346</u>	<u>(7,077,197)</u>	<u>22,994,047</u>	<u>(3,578,884)</u>	<u>(10,121,050)</u>	<u>(3,256,133)</u>
Beginning Net Assets Available for Benefits	<u>958,351,040</u>	<u>907,234,694</u>	<u>914,311,891</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>\$ 974,044,757</u>	<u>\$ 958,351,040</u>	<u>\$ 907,234,694</u>	<u>\$ 914,311,891</u>	<u>\$ 894,896,728</u>	<u>\$ 894,896,728</u>	<u>\$ 905,017,778</u>

City of El Paso Employees Retirement Trust
Investment Income Analysis

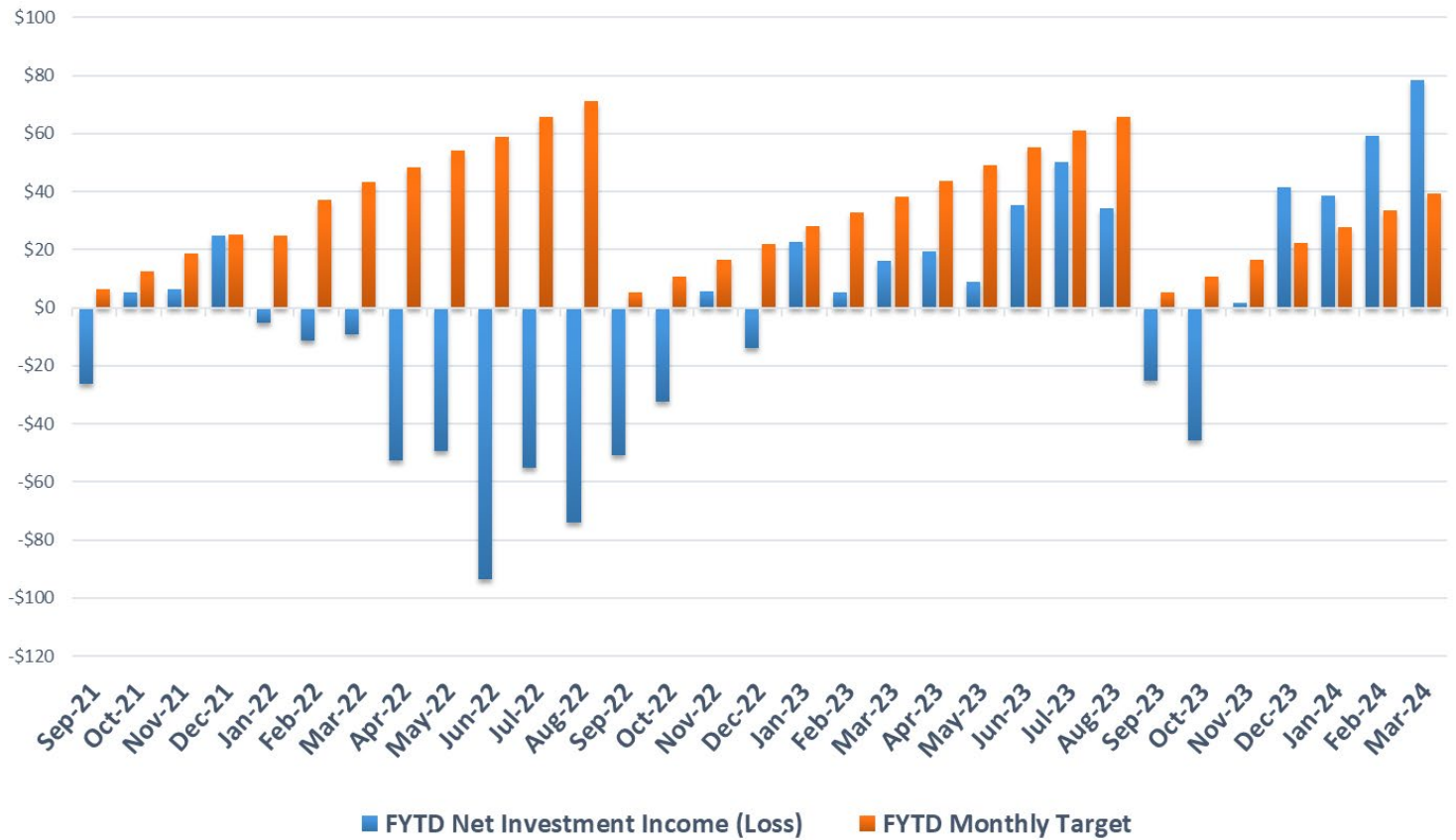
	Year to Date		Month					
	March 31, 2024	March	February	January	December	November	October	September
<u>Detail</u>								
Interest	\$ 1,219,057	\$ 80,427	\$ 79,984	\$ 382,075	\$ 99,412	\$ 102,350	\$ 392,243	\$ 82,566
Dividends	2,728,051	310,636	276,341	673,042	287,337	316,211	587,262	277,222
Realized Gain/Loss	6,738,790	1,622,932	173,054	361,432	1,252,275	34,970	78,410	3,215,717
Unrealized Gain/Loss-Investments	67,481,496	17,312,711	20,149,202	(4,673,362)	38,104,206	47,011,248	(21,801,112)	(28,621,397)
Unrealized Gain/Loss Currency	(2,913)	-	-	(4,547)	1,113	1,495	166	(1,140)
Other	360,191	41,185	48,026	51,338	51,362	49,681	51,897	66,702
Per Statement of Changes in Net Assets	<u>\$ 78,524,672</u>	<u>\$ 19,367,891</u>	<u>\$ 20,726,607</u>	<u>\$ (3,210,022)</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	\$ 1,219,057
Dividends	2,728,051
Net Market Value Appreciation	<u>74,577,564</u>
Net Investment Income (NII)	<u>\$ 78,524,672</u>
Fiscal Year NII to Date / Avg Available Net Assets	8.32%
Net Assets Available for Benefits - August 31, 2023	\$ 914,311,891
Target Rate of Return	7.25%
Cumulative Target Rate of Return	4.23%
Fiscal Year 2024 NII Target	\$ 67,585,239

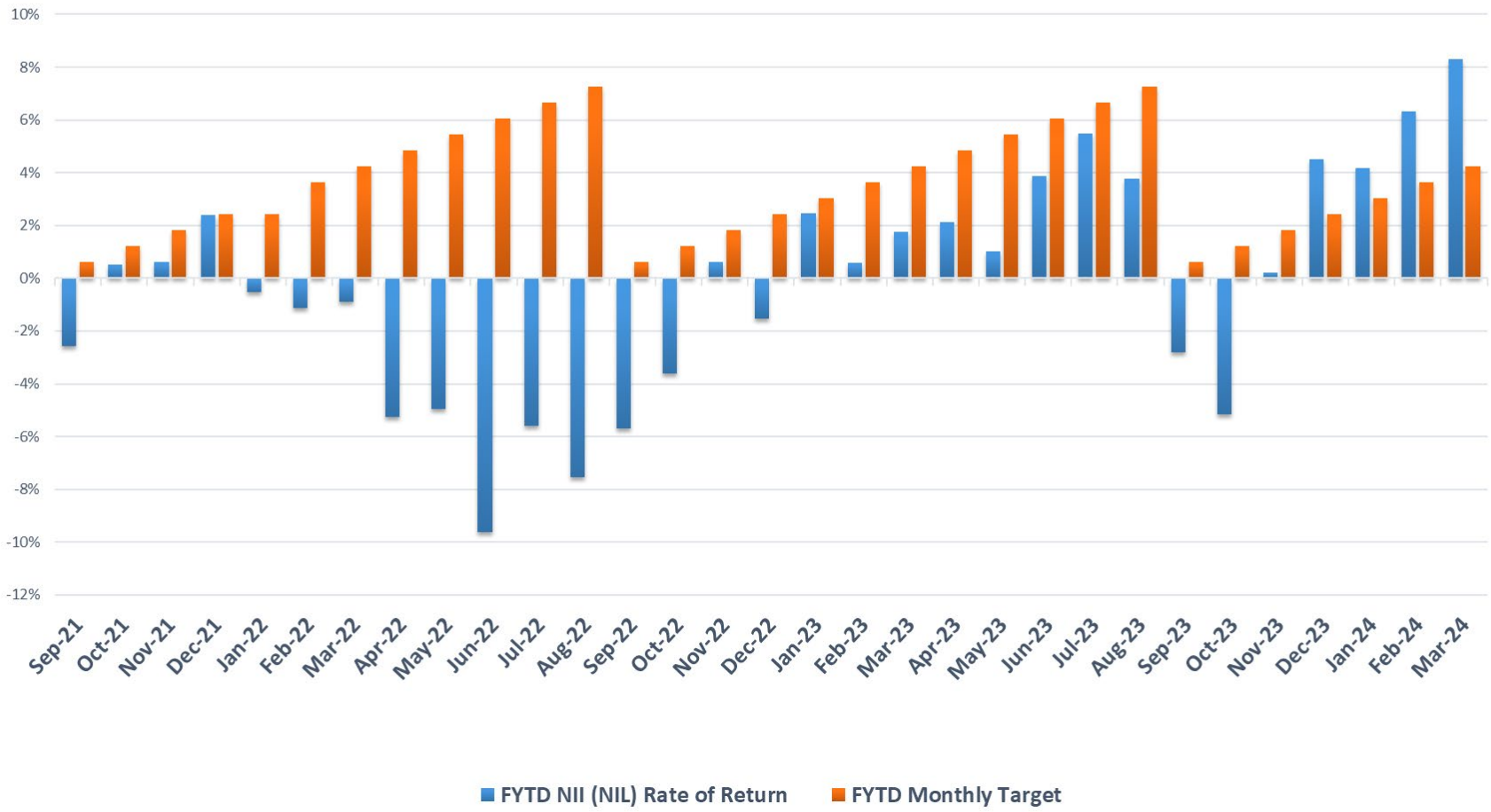
CITY OF EL PASO EMPLOYEES RETIREMENT TRUST
 CITY PENSION ADMINISTRATION ACTUAL/BUDGET COMPARISON
 For Seven Months Ended March 31, 2024

DESCRIPTION	BUDGET	ACTUAL	PERCENT UTILIZED	UNDER(OVER) BUDGET
<u>EXPENDITURES</u>				
NON-UNIFORM WAGES AND SALARIES	\$ 763,395	\$ 429,870	56.3%	\$ 333,525
SHIFT DIFFERENTIAL - CIVILIAN	25	-	0.0%	25
EQUIPMENT ALLOWANCE	3,800	2,027	53.3%	1,773
TEMPORARY SERVICES CONTRACTS	80,000	0	0.0%	80,000
WORKERS COMPENSATION- CIVILIAN	2,290	848	37.0%	1,442
UNEMPLOYMENT COMPEN - CIVILIAN	760	435	57.2%	325
POS CITY - EMPLOYER CONTRIB	39,602	17,803	45.0%	21,799
LIFE INSURANCE - CIVILIAN	400	166	0.0%	234
ALLOW(EXC MIL& UNIF)-CIVILIA	4,850	2,703	55.7%	2,147
INSURANCE & ANCILLARY BENEFITS	36,370	1,319	3.6%	35,051
OTHER EMPLOYEE BENEFITS	17,882	9,935	55.6%	7,947
CITY PENSION PLAN CONTRIBUTION	106,835	57,951	54.2%	48,884
FICA CITY MATCH - CIVILIAN	41,200	22,024	53.5%	19,176
FICA MED- CITY MATCH-CIVILIAN	11,026	6,237	56.6%	4,789
Salaries Wages & Employee Benefits	<u>1,108,437</u>	<u>551,318</u>	49.7%	<u>557,119</u>
HEALTH CARE PROVIDERS SERVICES	2,500	-	0.0%	2,500
INTERPRETER SERVICES	500	-	0.0%	500
INVESTIGATIVE SERVICES	1,800	983	54.6%	817
DATA PROCESS SERVICES CONTRACT	81,500	60,000	73.6%	21,500
MAINT SVCS CONTRACT-JANITORIAL	13,700	6,536	47.7%	7,164
PRINTING SERVICES CONTRACTS	7,000	535	7.6%	6,465
SECURITY CONTRACTS	2,500	900	36.0%	1,600
OUTSIDE CONTRACTS - NOC	15,700	14,566	92.8%	1,134
PEST CONTROL CONTRACTS	1,000	190	19.0%	810
GROUNDKEEPING HORTI CONTRACTS	4,000	-	0.0%	4,000
OFFICE EQUIP MAINT CONTRACTS	1,600	-	0.0%	1,600
MAIL ROOM CHARGES	30,000	16,950	56.5%	13,050
COPIER CONTRACT SERVICES	4,000	410	10.3%	3,590
Contractual Services	<u>165,800</u>	<u>101,070</u>	61.0%	<u>64,730</u>
OFFICE SUPPLIES	9,000	7,262	80.7%	1,738
SUPPLIES COMPUTER EQUIPMENT	29,800	1,370	4.6%	28,430
CLEANING SUPPLIES	1,500	-	0.0%	1,500
BUILDING MAINTENANCE SUPPLIES	40,500	6,343	15.7%	34,157
DATA PROCESS EQUIP	4,500	-	0.0%	4,500
Material and Supplies	<u>85,300</u>	<u>14,975</u>	17.6%	<u>70,325</u>
PHONE & INTERNET	300	-	0.0%	300
LONG DISTANCE	100	-	0.0%	100
WIRELESS COMMUNICATION SERVICE	2,100	1,000	47.6%	1,100
POSTAGE	600	346	57.7%	254
ELECTRICITY	11,500	4,101	35.7%	7,399
WATER	7,000	4,168	59.5%	2,832
NATURAL GAS OTHER	4,500	2,613	58.1%	1,887
TRAVEL EXPENSES - EMPLOYEES	10,100	2,734	27.1%	7,366
TRAVEL EXPENSES - BOARD MEMBER	16,000	59	0.4%	15,941
MILEAGE ALLOWANCES	100	-	0.0%	100
OTHER SERVICES CHARGES EXPENSE	11,500	1,024	8.9%	10,476
VEHICLES - MAINT & REPAIRS	500	204	40.8%	296
SEMINARS CONTINUING EDUCATION	675	-	0.0%	675
PROFESSIONAL LICENSES & MEMBER INSURANCE	7,000	5,948	85.0%	1,052
Operating Expenditures	<u>166,075</u>	<u>108,994</u>	65.6%	<u>57,081</u>
Total In-House Administrative Expenses	<u>\$ 1,525,612</u>	<u>776,357</u>	50.9%	<u>\$ 749,255</u>
Expenses paid directly by Mellon Trust		<u>393,206</u>		
Total Administrative expenses		<u>\$ 1,169,563</u>		

Net YTD Investment Income
Monthly through March 31, 2024
(Millions)



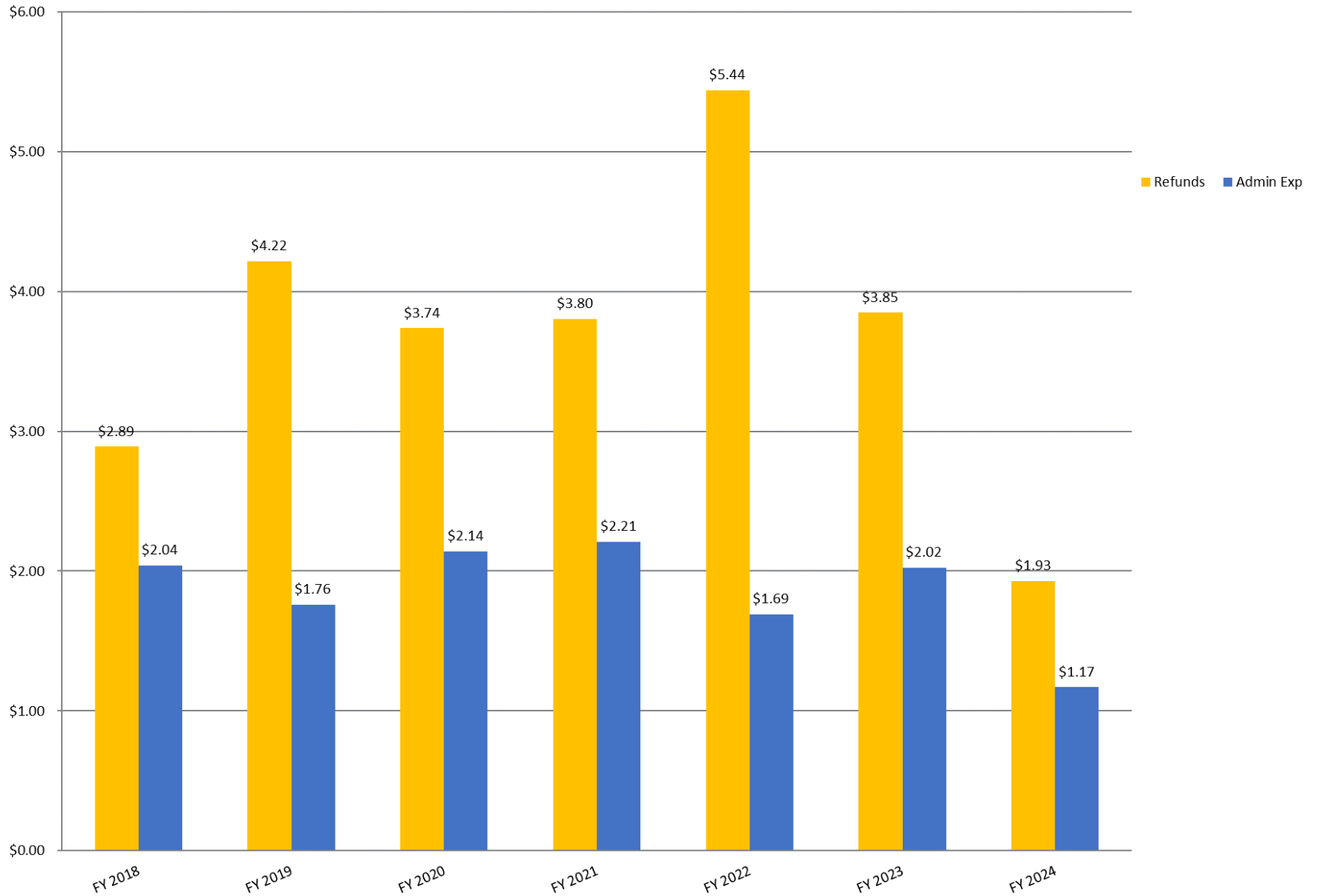
Net Investment Income Rate of Return Monthly through March 31, 2024



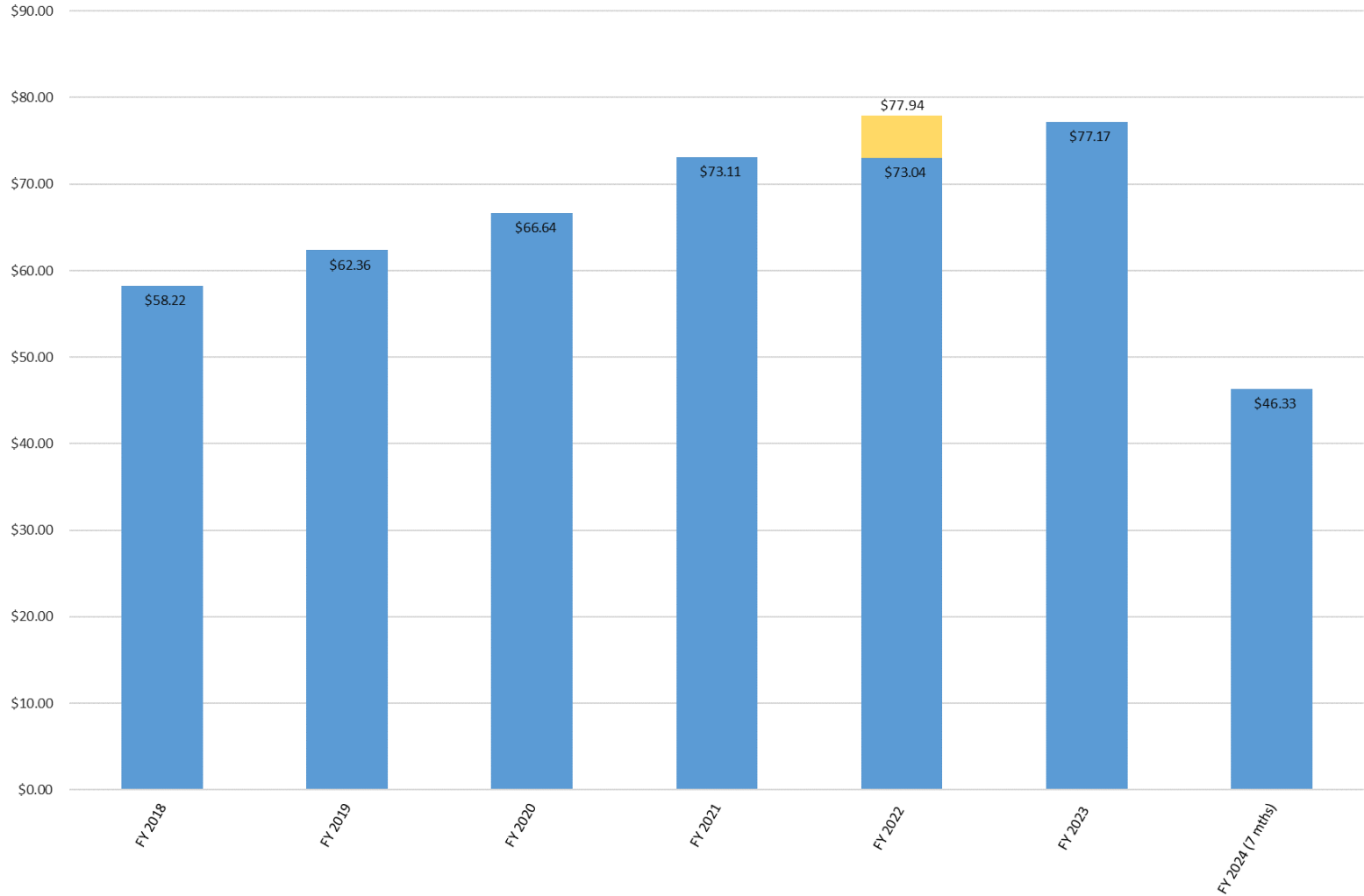
Refunds & Administrative Expenses

Yearly through March 31, 2024

(Millions)



Benefits Paid to Retirees Yearly through March 31, 2024 (Millions)



**Note: Current Fiscal Year Annualized Benefit Amount \$79,427,609
13th Payment as follows: 05/20/2022- \$4,897,500**