



CITY of EL PASO

EMPLOYEES RETIREMENT TRUST

BOARD MINUTES FOR THE REGULAR MEETING HELD WEDNESDAY, DECEMBER 13, 2023 AT 8:30 A.M. RETIREMENT TRUST ADMINISTRATION BUILDING, 1039 CHELSEA

Members in Attendance:

Matt Kerr, Chairman
Karl C. Rimkus, Vice-Chairman
Isaura Valdez
Karina Brascgalla
Rene Peña
Rep. Joe Molinar
Rep. Art Fierro

Members Absent:

Robert Studer
Deborah G. Hamlyn

Others in Attendance:

Robert Ash, Executive Director
Karina Chavez, Administrative Assistant
Eduardo Miranda, Legal Counsel
Luis Mier, Office of the Comptroller
Alex Browning, Callan LLC
Alex Ford, Callan LLC

- Item 1. Executive Director Robert Ash called the meeting to order at 8:38 AM. Ash noted that quorum was present.

PLEDGE OF ALLEGIANCE

The Retirement Trust Board recited the Pledge of Allegiance.

NOTICE TO THE PUBLIC

Executive Director Robert Ash read the Notice to the Public.

All matters listed under the CONSENT AGENDA will be considered by the Retirement Trust Board to be routine and will be enacted by one motion in the form listed below. There will be no separate discussion of these items unless members of the Retirement Trust Board or persons in the audience request specific items be removed from the CONSENT AGENDA to the REGULAR AGENDA for discussion prior to the time the Retirement Trust Board votes on the motion to adopt the CONSENT AGENDA.

CONSENT AGENDA

Item 2. Approve the Minutes of the Regular Board meeting of November 15, 2023.

Item 3. Consideration and action on the following retirements:

	Name	Department	Service Time (estimated)
A.	Age & Service Retirement:		
1	Guillen, Gustavo	El Paso Water	17 years 02 months
2	Ortega, Martha A.	Police	23 years 04 months
3	Rocha, Arturo	El Paso Water	13 years 02 months
4	Rodriguez, Martha	Public Health	16 years 11 months
5	Roth, Ronnie E.	Planning and Inspections	30 years 06 months
6	Ruiz, Jesus	Environmental Services	15 years 00 months
7	Tellez, Rodolfo	Environmental Services	31 years 00 months
8	Trujillo, Alex G.	Environmental Services	16 years 09 months
B.	Early		
1	Vasquez, Lisa M.	El Paso Water	16 years 04 months
C.	Deferred:		
1	Muniz, Manuel A.	Sun Metro	09 years 01 month
2	Weber, Mark C.	Community and Human Development	19 years 01 month

Item 4. Consideration and action on survivor benefit applications for:

A. Partch-Hervol, Rohnda L. survivor of Joseph W. Hervol, retiree.

Item 5. Consideration and action on invoices as follows:

Company	Description of Service	Period	Fee Due
A. Eduardo Miranda	Legal Fees	Mo. Ended 11/30/23	\$ 250.00
B. Carr Riggs & Ingram CPAs	Audit Fees	Yr. Ended 08/31/23	\$ 17,450.00
C. Gordon Davis Johnson & Shane PC	Legal Fees – 0063	Mo. Ended 11/30/23	\$ 562.50
D. Gordon Davis Johnson & Shane PC	Legal Fees – 0064	Mo. Ended 11/30/23	\$ 2,130.00

Item 6. Consideration and action on the following Committee reports/appointments:

- A. Administrative Services Committee
- B. Executive Committee
- C. Facility and Maintenance Committee
- D. Financial Oversight Committee
- E. Investment Committee

Motion made by Karl Rimkus to approve the Consent Agenda; seconded by Rep. Joe Molinar. The motion required polling:

Isaura Valdez	approved
Karina Brasgalla	aye
Matt Kerr	aye
Karl Rimkus	aye
Rep. Joe Molinar	aye

Motion carried.

REGULAR AGENDA

- Item 7. Discussion and action regarding the Treasurer's Report for the month ended November 30, 2023.

Luis Mier of the Office of the Comptroller presented on behalf of City Comptroller Margarita Marin; the Board received and reviewed the Treasurer's Report for the month ended November 30, 2023.

The Treasurer's Report is prepared monthly by the Office of the Comptroller based on information received from the Trust's custodian. Mier noted that the numbers in the report are preliminary.

Mier advised that the report consists of two statements ("Statement of Net Assets Available for Benefits" and the "Statement of Changes in Net Assets Available for Benefits"), three schedules ("Quarterly Statements of Changes in Net Assets Available for Benefits", "Investment Income Analysis", and "Pension Administration Actual/Budget Comparison"), and four graphs ("Net YTD Investment Income", "Net Investment Income Rate of Return", "Refunds & Administrative Expenses", and "Benefits Paid to Retirees").

The information in the report includes (i) receivables, which include amounts due to the Trust for securities sold, outstanding interest, dividends earned, and contributions as of the date of the report; (ii) liabilities, which include amounts owed by the Trust for securities purchased and accrued expenses as of the date of the report; and (iii) unrealized/realized investment income, which is an estimate of the value of the portfolio as of the reporting dates.

Mier reviewed the statements, schedules, and graphs. The unaudited totals are for the periods ended November 30, 2023 including month, first quarter, and fiscal year (three months). Net assets available for benefits were about 890 million dollars. Contributions were approximately 12.5 million dollars (about 8.0 million from the employer and 4.5 million from employees). Benefits paid to retirees were about 19.7 million dollars. The rate of return, which is the fiscal net investment loss/gain over the average net assets available for benefits, was negative 1.17 percent. A net investment loss of about 10.5 million dollars. Mier noted the target rate of return for the fiscal year of 7.25 percent, about 1.81 percent for the three months.

No action was taken on this item.

- Item 8. Discussion and action regarding a report from Callan LLC regarding the Trust's investments and related matters (Alex Browning and Alex Ford, Callan).

Alex Browning and Alex Ford presented; the Board received and reviewed the monthly "flash report" for the period ended November 30, 2023.

Browning and Ford provided a market overview. Ford reviewed distribution of assets and performance. Ford noted that the preliminary totals are based on manager estimates pending final custodian values. Total assets were about 914 million dollars, an investment return of about 59 million dollars for the month (about 6.94 percent underperforming the Strategic Blended Index by nine basis points). Ford reviewed asset class composite performance and noted that private market returns for the month are proxied to the benchmark. Ford reviewed performance attribution and noted that most of the active managers outperformed their

benchmarks.

No action was taken on this item.

Item 9. Discussion and action regarding a report from the Executive Director.

Executive Director Robert Ash reported on the following:

- Ash reviewed office and meeting schedules.
 - The Trust Office will be closed from December 25th through January 1st adhering to the City's holiday closure.
 - Announcements will be posted at the Administration Building and on the Trust's website.
 - The June 2024 Regular Board Meeting will be held on Thursday, June 20, 2024 due to the Juneteenth holiday closure.
 - The Financial Oversight Committee will meet on January 4th to review the auditor's report and the interim actual valuation.
 - Rep. Molinar discussed the Regular Board Meeting for January 2024 advising that the date conflicts with a City Council meeting.
 - Ash confirmed that the Board meeting is scheduled for the third Wednesday of the month and advised that, if quorum is met, the meeting will be held as scheduled.
- Ash reviewed the Trust's Funding Policy reviewing the provisions for granting COLAs.
 - The Board has limited authority to adopt an increase in benefits for Trust participants. Any benefit increase (including COLAs) for current and/or future retirees, separately or in combination, may be granted by the Board if (i) the funded ratio of the Trust after the benefit increase is at least 80 percent, and (ii) the decrease in the funded ratio due to the benefit increase is not more than 1 percent.
- Ash reviewed upcoming conference(s).
 - The TEXPERS annual conference will be held in April 2024 in Dallas. Registration is open.
- Ash reviewed the Travel Reimbursement Reference Table in the Trust's Travel Policy.
 - Ash reviewed documentation required including proof of payment and a copy of the rate options table for the selected travel, which should be recorded on the date of payment for the airline fare.
 - Ash noted that the Trust will not reimburse for the use of airline rewards (including but not limited to credits, points, frequent flyer miles, etc.) Airline rewards do not translate to a cash value to be reimbursed by the Trust.

No action was taken on this item.

Item 10. For Notation:

A. Refund of Contributions:

	Name	Department	Total Refund
1	Agela, Daphney	Public Health	\$ 2,530.57
2	Arriola, Roberto	Sun Metro	\$ 41,023.49
3	Avila, Georgia	Municipal Court	\$ 838.10
4	Ball, Ernest	Capital Improvement	\$ 12,733.91
5	Badillo, Janet	Fire	\$ 5,662.09
6	Bauermeister, Kelsi	Public Health	\$ 8,376.25
7	Burrill, Roxine	Animal Services	\$ 6,003.17

8	Castrejon, Jennifer	Fire	\$	6,956.40
9	Chiw, Kevin	Police	\$	1,651.68
10	Cobos, Sandra	Public Health	\$	3,233.85
11	De La Fuente, Roberto	Fire	\$	15,253.70
12	Delgado, Ricardo	Environmental Services	\$	165.32
13	Garcia, Raymundo	Streets and Maintenance	\$	274.09
14	Granados, Dante	Purchasing and Strategic Sourcing	\$	3,576.83
15	Greene, Sable	Fire	\$	1,231.39
16	Herrera, Tanya	Animal Services	\$	17,955.41
17	Katz, Mary	City Clerk	\$	37,007.69
18	Limon, Melissa	Public Health	\$	45,163.53
19	Luna, Manuel	Sun Metro	\$	8,573.69
20	Martinez, Jesus	Fire	\$	2,073.36
21	Marx, Kathryn	Fire	\$	4,136.77
22	McCreary, Adam	Streets and Maintenance	\$	24,330.85
23	Medrano, Isaias	Airport	\$	3,235.66
24	Mejia, Jasmin	Fire	\$	1,168.87
25	Mendoza, David	Parks and Recreation	\$	1,804.97
26	Montemayor, Jimmy	Environmental Services	\$	74.80
27	Munoz, Brianna	El Paso Water	\$	1,701.36
28	Natividad, Gloria	Police	\$	635.18
29	Parra, Efren	Capital Improvement	\$	2,096.62
30	Perales, Lorenzo	Streets and Maintenance	\$	23,039.11
31	Perez, Efrain	Streets and Maintenance	\$	56,647.64
32	Ponce, Fernando	Streets and Maintenance	\$	4,435.48
33	Ponce, Victor	Fire	\$	2,073.36
34	Rocha, Norma	International Bridges	\$	478.75
35	Rodriguez, Alexandra	Animal Services	\$	20,403.80
36	Rodriguez, Matthew	Environmental Services	\$	5,972.60
37	Rodriguez, Minerva	Public Health	\$	16,068.96
38	Roy, Prentice	Zoo	\$	3,875.21
39	Salazar, Roxanne	Public Health	\$	1,644.70
40	Schaffino, Natalie	Parks and Recreation	\$	25,146.19
41	Send, Elizabeth	Fire	\$	7,712.80
42	Sida, Rodolfo	Streets and Maintenance	\$	881.97
43	Silva, Luis	Fire	\$	2,036.55
44	Stanton, Cheryl	Animal Services	\$	335.34
45	Uribe, Jesus	Streets and Maintenance	\$	4,310.44
46	Urrutia, Ricardo	Streets and Maintenance	\$	4,761.44
47	Valadez, Irvin	Fire	\$	3,182.40
48	Valladolid, Patricia	Sun Metro	\$	12,809.38
49	Valle, Alberto	Planning and Inspections	\$	57,886.44
50	Vega, Miguel	Parks and Recreation	\$	11,712.07

51	Velazquez, Ivan	Fire	\$	1,648.05
52	Viramontes, Jorge	Office of the Comptroller	\$	1,361.98
53	Zuniga, Rose	Public Health	\$	1,438.66
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				\$ 529,332.92
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Item for notation only. No action was required on this item.

OPEN COMMENT PERIOD

The Board of Trustees allowed speakers from the public to comment on any pension-related issue that was not on the agenda. During the Open Comment Period of the meeting, the public was given an opportunity to address the Board.

Executive Director Robert Ash noted that there were no speakers to comment on any pension-related issue that was not on the agenda.

- Item 11. The Board will retire into EXECUTIVE SESSION pursuant to the Texas Government Code, Sections 551.071-551.076 and Section 551.078 to discuss any of the following:

Section 551.071	CONSULTATION WITH ATTORNEY
Section 551.072	DELIBERATION REGARDING REAL PROPERTY
Section 551.074	PERSONNEL MATTERS
Section 551.075	CONFERENCE WITH EMPLOYEES
Section 551.076	DELIBERATION REGARDING SECURITY DEVICES
Section 551.078	DELIBERATION REGARDING DISABILITY APPLICANT'S MEDICAL RECORDS


No action was taken on this item.

- Item 12. Adjournment.

Motion made by Rep. Joe Molinar to adjourn the City of El Paso Employees Retirement Trust Board Meeting on December 13, 2023; seconded by Rep. Art Fierro. None opposed. The motion was carried at 9:11 AM.



Secretary



Chairman