



El Paso Firemen & Policemen's Pension Fund



Date: October 28, 2015

To: Mr. Jerry Villanueva, Chairman, and Board of Trustees
El Paso Firemen & Policemen's Pension Fund
(A Component Unit of the City of El Paso, Texas)

I have completed the accompanying statement of fiduciary net position (unaudited) of the El Paso Firemen and Policemen's Pension Fund (A Fiduciary Fund of the City of El Paso, Texas) ("Fund") as of September 30, 2015, and the related statement of changes in fiduciary net position (unaudited) for the ninth months then ended. These statements were completed internally, therefore are not reviewed or audited by any outside party. I have also included a trail balance for both the El Paso Firemen & Policemen's Pension Fund and Lomaland West LLC.

It is the Fund's understanding that management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of these financial statements. To this end, the enclosed is presented.

The supplementary information contained in the attached schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from various accounting records of the Fund and serves as the basis for the related financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statement, they might influence the user's conclusion about the Fund's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters. The enclosed statements are intended for the Board's interim review relative to the financial position and results of operations for the El Paso Firemen and Policemen's Pension Fund.

Please advise if you have questions or comments on any of the enclosed.

Thank You.


Lena H. Ellis CPA, MBA, CGMA
Chief Financial Officer

**EL PASO FIREMEN AND POLICEMEN'S PENSION FUND
(A FIDUCIARY FUND OF THE CITY OF EL PASO, TEXAS)
STATEMENT OF FIDUCIARY NET POSITION (UNAUDITED)
FOR MONTH ENDING SEPTEMBER 30, 2015**

ASSETS

Cash and short-term investments	\$ 13,859,708
Receivables	
Employer contributions	938,419
Employee contributions	752,346
Other	171
Total receivables	<u>1,690,936</u>
Investments, at fair value	
Domestic equities	358,020,524
Fixed income securities	372,011,754
International equities	351,549,907
Private equity	46,994,356
Real estate	74,814,311
Securities lending collateral	112,141,363
Investment in Subsidiary	-
Total investments	<u>1,315,532,215</u>
Property and equipment	
Building	1,580,246
Furniture and fixtures	81,302
Computer equipment	74,801
Machinery equipment	5,756
Pension administration system software	1,106,857
Total property and equipment	<u>2,848,962</u>
Less: Accumulated depreciation	<u>(811,955)</u>
Net property and equipment	<u>2,037,007</u>
Other assets	
Organizational costs	25,279
Less: Accumulated amortization	<u>(25,279)</u>
Net other assets	-
Total assets	<u>1,333,119,866</u>

LIABILITIES

Accrued expenses and other	111,898
Securities lending obligation	<u>112,141,363</u>
Total liabilities	<u>112,253,261</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS	\$ <u>1,220,866,605</u>

See accountant's compilation report, which is attached.

EL PASO FIREMEN AND POLICEMEN'S PENSION FUND
(A FIDUCIARY FUND OF THE CITY OF EL PASO, TEXAS)
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION (UNAUDITED)
FOR MONTH ENDING SEPTEMBER 30, 2015

ADDITIONS

Contributions	
Employer	\$ 18,396,483
Employee	15,540,862
Other	33,144
Total contributions	<u>33,970,489</u>
Investment income	
Net change in fair value of investments	(43,838,280)
Interest	4,911,598
Dividends	9,081,335
Net change accrued income	3,236,357
Less: Investment expenses	<u>(2,313,501)</u>
Net investment income (loss)	<u>(28,922,491)</u>
Total additions	<u>5,047,998</u>

DEDUCTIONS

Benefits paid to participants	54,036,754
Administrative expenses	922,310
Depreciation and amortization expense	<u>84,245</u>
Total deductions	<u>55,043,309</u>
Net increase in fiduciary net position	(49,995,311)
Net position restricted for pension benefits	
Beginning - January 1, 2015	<u>1,270,861,916</u>
Ending - September 30, 2015	<u>\$ 1,220,866,605</u>

See accountant's compilation report, which is attached.

EL PASO FIREMEN AND POLICEMEN'S PENSION FUND
(A FIDUCIARY FUND OF THE CITY OF EL PASO, TEXAS)
COMBINING SCHEDULE OF FIDUCIARY NET POSITION (UNAUDITED)
FOR MONTH ENDING
SEPTEMBER 30, 2015

	EL PASO PENSION FUND				LONAM AND WEST, L.L.C.				Elimination Entries for Lomaland, L.L.C.				Falling Adjusted Balance - Consolidated			
	Fireman Division	Police Division	Pension Staff	Combined Total	Fireman Division	Police Division	Pension Staff	Combined Total	Fireman Division	Police Division	Pension Staff	Combined Total	Fireman Division	Police Division	Pension Staff	Combined Total
ASSETS																
Cash and short-term investments	\$ 40,545,185	\$ 29,452,125	0.00270%	100%	\$ 40,545,185	\$ 29,452,125	0.00270%	100%	\$ 40,545,185	\$ 29,452,125	0.00270%	100%	\$ 40,545,185	\$ 29,452,125	0.00270%	100%
City of El Paso - Northern Trust 2 Operating	5,603,847	8,217,021	\$ 373	13,821,241	-	-	-	-	-	-	-	-	-	-	-	-
City of El Paso - Northern Trust 2 Operating	22	178	-	300	-	-	-	-	-	-	-	-	-	-	-	-
City of El Paso - Northern Trust 2 Operating	12,281	18,008	1	30,290	-	-	-	-	-	-	-	-	-	-	1	30,290
City of El Paso - Northern Trust 2 Operating	5,616,250	8,235,207	374	13,851,831	3,194	4,083	-	7,877	-	-	-	-	3,194	4,083	-	7,877
Total Cash and Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments, at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Domestic equities	145,160,066	212,850,792	9,666	358,020,524	-	-	-	-	-	-	-	-	145,160,066	212,850,792	9,666	358,020,524
Fixed income securities	150,833,835	221,168,875	10,044	372,011,754	-	-	-	-	-	-	-	-	150,833,835	221,168,875	10,044	372,011,754
International equities	142,536,543	209,003,872	9,492	351,540,907	-	-	-	-	-	-	-	-	142,536,543	209,003,872	9,492	351,540,907
Private equity	19,053,946	27,939,141	1,269	46,993,356	-	-	-	-	-	-	-	-	19,053,946	27,939,141	1,269	46,993,356
Real estate	44,478,694	66,670,418	2,020	111,149,132	-	-	-	-	-	-	-	-	44,478,694	66,670,418	2,020	111,149,132
Securities lending collateral	45,467,977	66,670,418	3,178	112,141,563	-	-	-	-	-	-	-	-	45,467,977	66,670,418	3,178	112,141,563
Investment in subsidiary	643,977	944,774	43	1,588,794	643,977	944,774	43	1,588,794	643,977	944,774	43	1,588,794	643,977	944,774	43	1,588,794
Total Invested Assets	534,028,801	783,056,066	35,563	1,317,120,509	-	-	-	-	-	-	-	-	533,384,904	783,111,792	35,519	1,315,532,215
Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employer contributions	380,484	557,910	25	938,419	-	-	-	-	-	-	-	-	380,484	557,910	25	938,419
Employee contributions	305,040	447,286	20	752,346	-	-	-	-	-	-	-	-	305,040	447,286	20	752,346
Other	-	-	-	-	69	102	-	171	-	-	-	-	69	102	-	171
Total receivables	685,524	1,005,196	45	1,690,765	69	102	-	171	-	-	-	-	685,593	1,005,298	45	1,690,936
Property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	640,714	939,490	42	1,580,246	-	-	-	-	640,714	939,490	42	1,580,246
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and fixtures	32,964	48,336	2	81,302	-	-	-	-	-	-	-	-	-	-	-	-
Computer and software	30,328	44,471	2	74,801	-	-	-	-	-	-	-	-	-	-	-	-
Computer & telephone equipment	2,334	3,422	-	5,756	-	-	-	-	-	-	-	-	-	-	-	-
Machinery equipment	448,777	688,050	30	1,106,857	-	-	-	-	-	-	-	-	-	-	-	-
Pension administration system	314,403	754,279	34	1,068,716	640,714	939,490	42	1,580,246	-	-	-	-	1,153,117	1,693,769	76	2,846,962
Total property and equipment	1,329,209	1,887,251	12	3,216,462	640,714	939,490	42	1,580,246	-	-	-	-	1,153,117	1,693,769	76	2,846,962
Less: Accumulated depreciation	185,194	271,555	-	456,749	-	-	-	-	-	-	-	-	1,153,117	1,693,769	76	2,846,962
Net property and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Organizational costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Accumulated amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 40,545,185	\$ 29,452,125	0.00270%	100%	\$ 40,545,185	\$ 29,452,125	0.00270%	100%	\$ 40,545,185	\$ 29,452,125	0.00270%	100%	\$ 40,545,185	\$ 29,452,125	0.00270%	100%
Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other	45,467,917	66,670,418	3,028	112,141,363	-	-	-	-	-	-	-	-	45,467,917	66,670,418	3,028	112,141,363
Securities lending obligation	45,513,366	66,736,945	3,030	112,250,311	-	-	-	-	-	-	-	-	45,513,366	66,736,945	3,030	112,250,311
Total liabilities	90,981,283	133,407,363	6,058	224,388,674	-	-	-	-	-	-	-	-	90,981,283	133,407,363	6,058	224,388,674
Net Position Restricted for Pension Benefits	\$ 495,002,563	\$ 723,811,079	32,063	\$ 1,220,866,605	\$ 643,977	\$ 944,774	42	\$ 1,588,794	\$ 643,977	\$ 944,774	42	\$ 1,588,794	\$ 643,977	\$ 944,774	42	\$ 1,588,794

EL PASO FIREMEN AND POLICEMEN'S PENSION FUND
(A FIDUCIARY FUND OF THE CITY OF EL PASO, TEXAS)
PENSION FUND TRIAL BALANCE

	Sep 30, 15		SUBTOTAL	DESCRIPTION
	Debit	Credit		
100 CASH/SHORT-TERM INVEST:100 - Cash - Investment Assets				
100.1 CASH/SHORT-TERM INVEST:100.1 - Cash - Petty Cash	13,821,241.23			
102 CASH/SHORT-TERM INVEST:102 - Cash - Northern Trust 2 Operating	300.00			
103 CASH/SHORT-TERM INVEST:103 - Cash - Mellon Checking Account	30,290.29			
104 CASH/SHORT-TERM INVEST:104 - Cash - Northern Trust	0.00			
105 CASH/SHORT-TERM INVEST:105 - Cash - Lomaland West	0.00			
106 INVESTMENT ASSETS:106 - Domestic Equities		338,020,524.00		
107 INVESTMENT ASSETS:107 - Fixed Income Securities		372,011,754.00		
108 INVESTMENT ASSETS:108 - International Equities		351,549,907.00		
109 INVESTMENT ASSETS:109 - Private Equity		46,994,356.00		
110 INVESTMENT ASSETS:110 - Real Estate		74,814,311.00		
115 INVESTMENT ASSETS:115 - Securities Lending Collateral		112,141,362.91		
149 INVESTMENT ASSETS:149 - Invest. in Sub - Lomaland West		1,588,294.00		
124 ACCOUNTS RECEIVABLE:124 - Contribution Rec. - Employer	938,418.68			
126 ACCOUNTS RECEIVABLE:126 - Contribution Rec.-Employee	752,346.61			
130 ACCOUNTS RECEIVABLE:130 - Interest Receivable	0.00			
161 PROPERTY & EQUIPMENT:161 - Building	0.00			
162 PROPERTY & EQUIPMENT:162 - Computer & Telephone Equipment	74,800.83			
163 PROPERTY & EQUIPMENT:163 - Furniture and Fixtures	81,301.84			
164 PROPERTY & EQUIPMENT:164 - Machinery Equipment	5,756.00			
168 PROPERTY & EQUIPMENT:168 - Pension Administration System	1,106,857.00			
169 PROPERTY & EQUIPMENT:169 - Accum Depreciation/Amortization		811,955.04		
203 - Accrued Expenses	0.00			
212 - Direct Deposit Liabilities	0.00			
214 - Payroll Liabilities	16.30			
215 - Defined Benefit Employee Plan		33,144.01		
268 - Accrued Compensated Absences		78,770.46		
269 - Broker Payables	0.00			
216 - Securities Lending Obligation		112,141,362.91		
300 - Opening Bal Equity	0.00			
310 - Retained Earnings		1,270,861,916.03		
401 CONTRIBUTIONS:401 - City (Sponsor) Contributions		18,396,483.17		
402 CONTRIBUTIONS:402 - City (Employee) Contributions		15,540,862.17		
404 CONTRIBUTIONS:404 - Pension (Employee) Contribution		33,144.00		
415 INVESTMENT INCOME:415 - Dividend Income		9,081,334.70		
425 INVESTMENT INCOME:425 - Interest Income		4,911,597.50		
454 NET CHANGE IN INVESTMENT INCOME:NET CHANGE FV INVESTMENT:454 - Realized Gain/Loss		30,314,118.65		
455 NET CHANGE IN INVESTMENT INCOME:NET CHANGE FV INVESTMENT:455 - Unrealized Gain/Loss		74,152,398.32		
490 - Net Income (Loss) Sub-Lomaland		889,558.00		
496 NET CHANGE IN INVESTMENT INCOME:NET CHANGE IN ACCRUED INCOME:496 - Return of Capital		24,067.37		
497 NET CHANGE IN INVESTMENT INCOME:NET CHANGE IN ACCRUED INCOME:497 - Net Change in Accrued Income		29,776.24		
498 NET CHANGE IN INVESTMENT INCOME:NET CHANGE IN ACCRUED INCOME:498 - Other Income				
500 ADMINISTRATIVE EXPENSE		3,290,202.02		
501 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:501 - Salaries & Wages	416,328.17			
504 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:504 - PICA - Med	6,267.77			
505 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:505 - PICA Taxes	26,591.03			
515 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:515 - Disability Insurance	4,259.88			
525 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:525 - Health Insurance Premium	17,217.80			
530 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:530 - Life Insurance	450.24			
546 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:546 - Unemployment Insurance	674.40			
548 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:548 - Workers Compensation	487.00			
549 ADMINISTRATIVE EXPENSE:EMPLOYEE WAGES & BENEFITS:549 - Payroll Expenses - Other	2,367.44			
535 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:535 - Membership Dues	9,002.00			
533.2 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:533.2 - Disaster Recovery	6,788.47			
533.4 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:533.4 - Moving Expenses	4,560.00			
533.6 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:533.6 - Services/Other	1,630.34			
533.7 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:533.7 - Computer Hardware	717.75			
533.8 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:533.8 - Computer Technical Support	15,552.19			
555 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:555 - Bank Service Charge	30.00			
558 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:558 - Board Expenses	541.50			
562 ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:562 - Copying Contract	3,536.56			
			494,643.73	WAGES AND BENEFITS

EL PASO FIREMEN AND POLICEMEN'S PENSION FUND
(A FIDUCIARY FUND OF THE CITY OF EL PASO, TEXAS)
PENSION FUND TRIAL BALANCE

565	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:565 · Depreciation Expense	84,245.43		
568	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:568 · Independent Medical Evaluation	3,250.00		
570	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:570 · Mileage	431.47		
578	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:578 · Office Supplies	3,707.10		
580	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:580 · Overnight Delivery Service	455.96		
585	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:585 · Parking Validations	600.00		
587	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:587 · Postage	1,341.34		
588	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:588 · Printing Other	2,049.27		
588.1	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:588 · Printing Other:588.1 · Printing - Annual Report	9,869.41		
590	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:590 · Property Taxes	1,309.64		
591	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:591 · Publications/Subscriptions	468.92		
595	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:595 · Recruitment Expenses	40,662.79		
597	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:597 · Repair & Maintenance	225.08		
599	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:599 · Small Tools and Minor Equipment	4,818.75		
601	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:601 · Software	2,453.99		
605	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:605 · Telephone and Communications	1,189.49		
632	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:632 · Travel Meetings - Staff	2,155.04		
633	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:633 · Travel Meetings - Trustees	7,223.97		
640	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:640 · Trustee Elections	2,633.30		
698	ADMINISTRATIVE EXPENSE:OPERATING EXPENSE:698 · Other Operating Expense	765.00		
620	ADMINISTRATIVE EXPENSE:620 · Actuary	62,415.00	128,229.33	OPERATING EXPENSES LESS DEPRECIATION
625	ADMINISTRATIVE EXPENSE:625 · Audit/Accounting Services	52,250.00		
630	ADMINISTRATIVE EXPENSE:630 · Fiduciary Education - Staff	15,253.94		
631	ADMINISTRATIVE EXPENSE:631 · Fiduciary Education - Trustees	22,619.53		
634	ADMINISTRATIVE EXPENSE:634 · Fiduciary Insurance	33,610.00		
645	ADMINISTRATIVE EXPENSE:645 · Legal & Prof - Administrative	83,625.43		
680	ADMINISTRATIVE EXPENSE:680 · Investment Advisor Fee - Admin	17,915.00		
699	ADMINISTRATIVE EXPENSE:699 · Miscellaneous Expense		100.00	
600	INVESTMENT EXPENSES		1,135,786.00	860,244.46 ADMINISTRATIVE EXPENSES LESS DEPRECIATION
646	INVESTMENT EXPENSES:646 · Legal & Prof - Investment	22,351.73		
675	INVESTMENT EXPENSES:675 · Due Diligence - Staff	4,850.90		
676	INVESTMENT EXPENSES:676 · Due Diligence - Trustees		1,163.54	
681	INVESTMENT EXPENSES:681 · Investment Advisor Fee - Invest	508,508.70		
682	INVESTMENT EXPENSES:682 · Investment Management Fee	2,871,779.60		
689	INVESTMENT EXPENSES:689 · Custodian Fees	42,959.61		
700	700 - Benefit Payments	54,036,754.44	2,313,501.00	INVESTMENT EXPENSES
899	899 - Capital Outlay	29,211.84	54,036,754.44	BENEFIT PAYMENTS
900	900 - Contra Expense Account			
993	993 - Trans Out Operating-Staff	33,144.01	29,211.84	29,211.84 CAPITAL OUTLAY/ CAPITALIZED TO THE BALANCE SHEET
994	994 - Trans Out Operating-Fire/Police	664,802.85		
995	995 - Trans Out Lomaland	951,623.71		
996	996 - Trans In from Investments	697,946.86	951,623.71	951,623.71 NET TRANSFERS/TRANSFER TO LOMALAND WEST
TOTAL		1,468,298,874.40	1,468,298,874.40	

LOMALAND WEST LLC
Trial Balance

	Sep 30, 15	
	Debit	Credit
CASH/SHORT-TERM INVEST.:102 · Cash Northern Trust 2 Operating	0.00	
CASH/SHORT-TERM INVEST.:103 · Cash - Mellon Checking Account	0.00	
CASH/SHORT-TERM INVEST.:104 · Cash - Northern Trust	0.00	
CASH/SHORT-TERM INVEST.:105 · Cash - Lomaland West	7,877.45	
ORGANIZATION COSTS:151 · Organization Costs-Lomaland	25,279.00	
ORGANIZATION COSTS:152 · Accumulated Amortization		25,279.00
180 · Deposit Receivable	170.86	
PROPERTY & EQUIPMENT:161 · Building	1,578,496.13	
PROPERTY & EQUIPMENT:161.5 · Building Improvements	1,750.00	
200 · Accounts Payable	0.00	
203 · Accrued Liability	0.00	
300 · Opening Bal Equity	0.00	
310 · Retained Earnings		698,736.35
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:553.6 · Services/Other	0.00	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:589 · Insurance:589.5 · Property I	5,749.00	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:590 · Property Taxes	0.29	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:596 · Rent Expenses	47,176.48	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:597 · Repair and Maintenance	2,790.36	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:597 · Repair and Maintenance:59	0.00	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:690 · Utilities	5,473.67	
ADMINISTRATIVE EXPENSE:OPERATING EXPENSES:698 · Other Operating Expense	875.82	
996 · Transfer In from Investments		951,623.71
TOTAL	<u>1,675,639.06</u>	<u>1,675,639.06</u>