City of Warren Employees Retirement System

Summary Annual Report

December 31, 2025

Dear Member:

The following is a summary of your Retirement System. Each year, an actuarial valuation is prepared to compare assets to liabilities. Assets are held and invested in a trust separate from other City assets. The only disbursements from this trust are to members who are retired or disabled, beneficiaries of members, members who receive contribution refunds, and for Retirement System expenses.

As Retirement Board Members, our tasks include making sure trust assets are invested prudently, required City and member contributions are received and that benefits are paid in accordance with the Retirement System's provisions.

Various professionals are hired to help in the administration of the System. They are listed in the column to the right.

The City is funding Retirement System benefits as they accrue in accordance with a sound funding objective.

Respectfully submitted,

Board of Trustees
City of Warren Employees Retirement System

Actuarial Information Used for this Report:

1. 16 active members
2. 451 retirees/beneficiaries
3. Plan is closed to new hires
4. $36,668 average annual pension benefit
5. $16,537,250 annual pension benefits paid
6. $1,784,316 valuation payroll used
7. Employer's normal cost of benefits: 19.15% of payroll - entry age normal method
8. Employer's total recommended contribution: $4,985,013
9. Weighted average member contribution rate: 0.00%
10. The required employer contribution for the fiscal year was received
11. 7.00% assumed rate of investment return
12. 0.00% assumed rate of long-term wage inflation
13. 4-year asset smoothing method used
14. 10-year amortization period used
15. Method used is level dollar
16. Cost method is individual entry age normal
17. Current valuation assets are 82.2% of accrued liability

Board Members

Christine C. Cassani,
Chairperson

Gary Urbanczyk,
Vice Chairperson

Jonathan Lafferty
Trustee

Richard Fox,
Trustee

Amy Reichle,
Trustee

Professional Advisors

Investment Fiduciaries

Hamlin Capital Management
Hudson Edge Intl Equity Fund
Mariner, Investment Consultant
Reinhart Partners, Inc.
Seizert Capital Partners
Fidelity International Index
YCM 500
YCM 1000
YCM Dividend
Madison Investments
American Core Realty Fund
ABS Emerging Markets

Service Providers

Fifth Third Bank, Trust Custodian
Lauterbach & Amen LLP, Auditor
Foster & Foster, Inc., *Actuary*
VanOverbeke, Michaud & Timmony, Attorneys

Investment Performance*

	1 Year	3 Year	5 Year	7 Year	10 Year
Combined Account	13.33%	13.27%	8.19%	10.28%	8.92%

**Calendar year ending December 31, 2025 (net of fees)*

2026 Projected Expenditures

Pension Payments: $17,000,000
Refund of Member Contributions: $10,600
Investment Fees: $500,000
Memberships/Training/Education/Travel: $7,500
Administrative Expenses: $295,000

City of Warren Employees Retirement System
Summary Annual Report (cont.)

Actuarial Valuation Summary

Foster & Foster, Inc. was hired to prepare the December 31, 2025 Actuarial Valuation. The funding objective of the System is to finance the unfunded present value of future benefits over an Open 10-year period. The actual level of contribution is dependent on past and assumed future experience, including investment performance, and benefit provisions. Below is a summary of the results:

Contribution Requirements

Total Normal Cost	$ 329,046
Administrative Expenses	285,690
Amortization of Unfunded Liability	4,370,277
Total Contribution Requirement	$ 4,985,013
Member Contributions	0
Computed Employer Contribution Dollar Amount	$ 4,985,013

Assets & Liabilities

Funded Status

Market Value of Assets	$ 152,719,281
Smoothed Valuation Assets	141,901,095
Actuarial Accrued Liability	172,596,091
Funded Ratio	82.2%

Actuary's Statement – The System is being funded based on sound actuarial assumptions and methods. For a complete analysis, please review the December 31, 2025 actuarial valuation.

Revenues & Expenditures

Beginning Balance (Market Value) – December 31, 2024	$ 144,736,539
Revenues	
Employees' contributions	0
Employer contribution	7,094,484
Investment income	17,868,717
Other income	310
Total	24,963,511
Expenditures	
Pension payments	16,701,095
Refunds and annuity withdrawal	0
Transfer to 401 Defined Contribution Plan	0
Non-Investment Expenses	279,674
Total	7,982,742
Ending Balance (Market Value) – December 31, 2025	$ 152,719,281
Recognized Return on Funding Value of Assets	5.99%