City of Warren Employees Retirement System
Summary Annual Report
December 31, 2023

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

Professional Advisors

Investment Fiduciaries

Hamlin Capital Management
Lazard Asset Management
AndCo Consulting, Investment Consultant
Reinhart Partners, Inc.
Seizert Capital Partners
Fidelity International Index
World Asset Management
Yousif Capital Management
Madison Investments
American Core Realty Fund
ABS Emerging Markets

Service Providers

Comerica Bank, Trust Custodian
Ramie E. Phillips, Jr, PC, CPA, Auditor
Foster & Foster, Inc., *Actuary*
VanOverbeke, Michaud & Timmony, Attorneys

Actuarial Information Used for this Report:

1. 25 active members
2. 485 retirees/beneficiaries
3. System is closed to new hires
4. $35,156 average annual pension benefit
5. $17,050,501 annual pension benefits paid
6. $2,440,683 valuation payroll used
7. Employer's normal cost of benefits: 21.33% of payroll - entry age normal cost method
8. Employer's total contribution: $6,336,548
9. Weighted average member contribution rate: 0.00%
10. The required employer contribution for the fiscal year was received
11. 7.10% assumed rate of investment return
12. 4.0% assumed rate of long-term wage inflation
13. 4-year asset smoothing method used
14. 10-year open amortization period used
15. Entry Age Normal cost method used
16. Funded ratio 78.8% under the entry age normal cost method

Investment Performance*

Combined	1 Year	3 Year	5 Year	7 Year	10 Year
Account	15.28%	5.55%	9.50%	7.74%	6.79%

**Calendar year ending December 31, 2023 (net of fees)*

2024 Projected Expenditures

Pension Payments: $17 million
Refund of Member Contributions: $0
Investment Fees: $600,000
Memberships/Training/Education/Travel: $7,000
Administrative Expenses: $275,000

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

Actuarial Valuation Summary

Foster & Foster, Inc. was hired to prepare the December 31, 2023 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

Actuarial Present Value of All Future Benefits	$184,042,660
Smoothed Valuation Assets	143,663,230
Present Value of Future Member Contributions	0
Unfunded Actuarial Accrued Liability	38,661,460
Present Value of Future Pay	9,373,551
Total Normal Cost	486,085
Administrative Expenses	258,000
Computed Employer Contribution Dollar Amount	$6,336,548

Assets & Liabilities

Funded Status

Market Value of Assets	$139,204,077
Smoothed Valuation Assets	143,663,230
Actuarial Accrued Liability – Entry Age Normal cost method	182,324,690
Funded Ratio – Entry Age Normal cost method	78.8%

Actuary's Statement – The System is being funded based on sound actuarial assumptions and methods. For a complete analysis, please review the December 31, 2023 actuarial valuation.

Revenues & Expenditures

Beginning Balance (Market Value) – December 31, 2022	$129,356,638
Revenues	
Employees' contributions	0
Employer contribution	8,077,022
Investment income	18,883,527
Other income	36,168
Total	26,996,717
Expenditures	
Pension payments	16,891,604
Refunds and annuity withdrawal	0
Transfer to 401 Defined Contribution Plan	0
Non-Investment Expenses	257,674
Total	17,149,278
Ending Balance (Market Value) – December 31, 2023	$139,204,077
Recognized Return on Funding Value of Assets	6.71%