Beaver County Employes' Retirement System

Report on 2010 Actuarial Valuation Including Determination of County Annual Required Contribution for 2010

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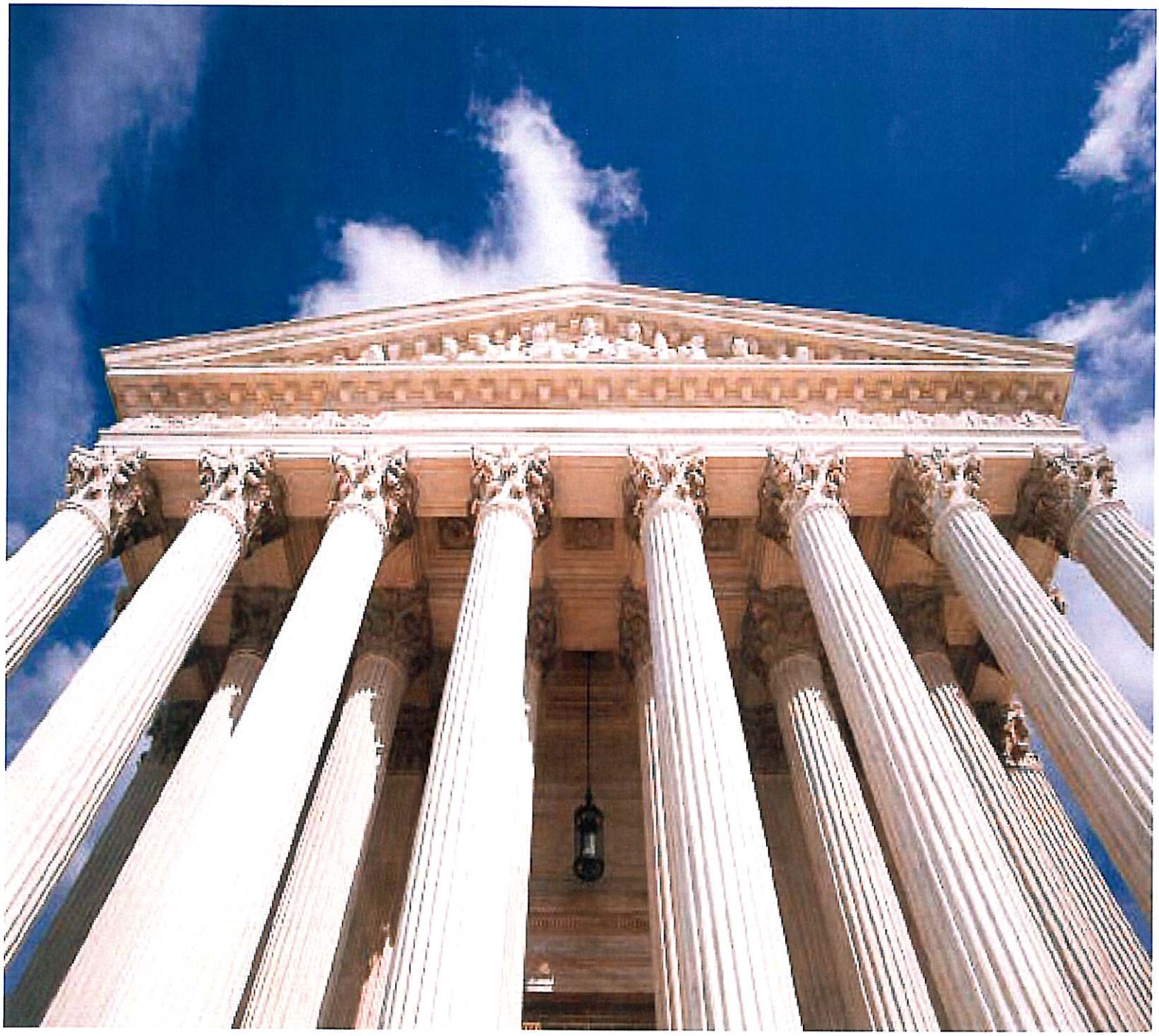

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for

Beaver County Employes' Retirement Board

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June 16, 2010

CONFIDENTIAL

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I. Introduction

The primary purpose of this report is to investigate and fully and fairly disclose the actuarial position of the System as of January 1, 2010 and to establish the proper appropriation for the 2010 plan year, in accordance with the funding standards of Section 6 of Act 96, 1971 of the Commonwealth of Pennsylvania as amended.

On the basis of the actuarial methods, assumptions and major plan provisions summarized in this report and in reliance on the member data and statement of the Fund's assets furnished by the County, to the best of our knowledge the information in this report is complete and accurate.

In our opinion, this report presents fairly the financial and actuarial position for the Beaver County Employes' Retirement Plan as of January 1, 2010 in accordance with generally accepted actuarial principles, and on the basis of actuarial assumptions and methods which, in the aggregate, are reasonable (taking into account past experience under the System and reasonable expectations) and which in combination represent our best estimate of anticipated experience.

Respectfully submitted,

HayGroup

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II. Findings

Certified Annual Required Contribution (ARC)

Please note that the certified Annual Required Contribution which is reported on page 13 of this report and which must be funded in 2010 is $3,096,622.00. This is required to be made by the County from the General Fund.

The County has elected to change to the Entry Age Normal funding method beginning in 2010. The Annual Required Contribution is based on this funding method.

Actuarial Adjustments

Also note that the balances in the Reserve Accounts on page 9 reflect the following transfers which are necessary to keep the balance in the Retired Member's Reserve Account equal to the liability for the retired lives and to reflect the difference between the amount of interest credited to the respective reserves and the interest rate assumed in the valuation of the liabilities. Please make these transfers in your records:

	DEBIT	CREDIT
County Annuity Reserve Account	$ 2,852,575.85	
Retired Members Annuity Reserve Account		$ 2,852,575.85

Assumption Changes

Effective January 1, 2010, the actuarial cost method, the salary assumption, and the asset valuation method have been changed. The effect of changing the actuarial cost method from Aggregate to Entry Age Normal is that the ARC has decreased $18,097. The effect of changing the salary assumption from 4.5% to 3.5% is that the present value of future benefits has decreased $9,979,665. The effect of changing the asset valuation method from five year smoothing to the method approved by the legislature under Act 44 is that the actuarial value of assets has increased by $6,334,163. The county recognizes the fact that the resulting lower current ARC may be at the expense of higher future ARCs.

III. Schedules

Schedule A

Disclosure of Pension Information in Accordance with Statement No. 25, Statement No. 27 and Statement No. 50 of the Governmental Accounting Standards Board

BEAVER COUNTY EMPLOYES' RETIREMENT SYSTEM

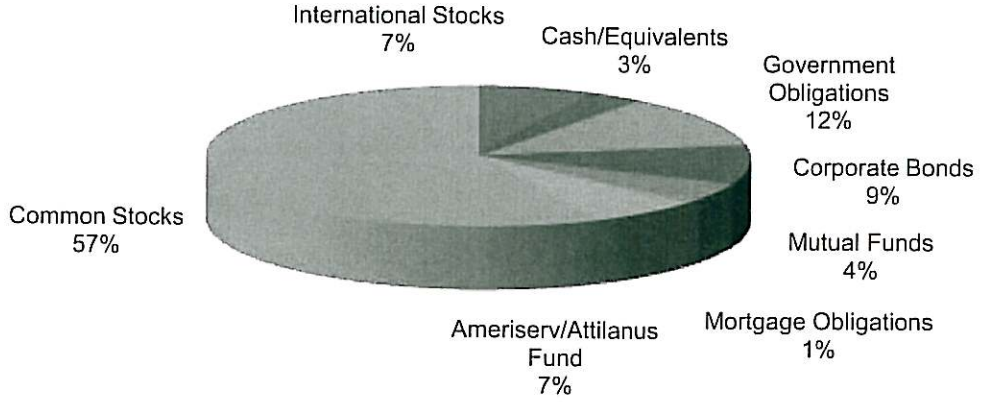
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009 AND 2008

Additions					
			2009 Total		2008 Total
Contributions					
County		$	19,227,192.00	$	1,887,756.00
Plan Members		$	5,117,588.18	$	5,057,430.86
Total Contributions		$	24,344,780.18	$	6,945,186.86
Investment Income					
Realized Loss	$ (3,434,992.70)				
Unrealized Gain	$ 32,432,992.41				
Net Gain in Fair Value		$	28,997,999.71	$	(44,944,473.94)
Interest		$	2,448,478.38	$	3,185,868.34
Dividends		$	2,283,613.25	$	2,139,788.10
Net Accrued Interest		$	4,558,135.10	$	1,693,786.68
Investment Income		$	38,288,226.44	$	(37,925,030.82)
Less Investment Expense		$	774,080.53	$	676,299.07
Net Investment Income		$	37,514,145.91	$	(38,601,329.89)
Total Additions		$	61,858,926.09	$	(31,656,143.03)
Deductions					
Benefits		$	7,626,306.17	$	6,202,485.00
Refunds of Member Contributions		$	845,693.44	$	1,082,590.60
Administrative Expense		$	37,497.95	$	39,357.25
Total Deductions		$	8,509,497.56	$	7,324,432.85
Net Increase/(Decrease)		$	53,349,428.53	$	(38,980,575.88)
Net Assets Held In Trust For Pension Benefits					
Beginning of Year		$	150,245,403.47	$	189,225,979.35
End of Year		$	203,594,832.00	$	150,245,403.47

Schedule A--Continued

BEAVER EMPLOYES' RETIREMENT SYSTEM				
STATEMENT OF PLAN ASSETS AS OF DECEMBER 31, 2009 AND 2008				
Assets				
		2009 Total		2008 Total
Cash and Short-Term Investments	$	5,784,633.43	$	3,347,608.35
Receivables	$	0.00	$	1,335,443.00
Investments, at fair market value				
Government Obligations	$	25,412,402.29	$	33,054,952.03
Corporate Bonds	$	17,927,200.95	$	22,052,472.52
Common Stocks	$	115,932,466.83	$	67,900,411.61
International Stocks	$	13,815,739.06	$	5,604,501.82
Ameriserv/Attilanus Fund	$	13,655,248.39	$	13,352,539.41
Mortgage Obligations	$	2,644,899.42	$	3,597,474.73
Mutual Funds	$	8,422,251.63	$	0.00
Total Investments	$	197,810,198.57	$	145,562,352.12
Total Assets	$	203,594,832.00	$	150,245,403.47
Liabilities				
Refunds Payable and Other	$	0.00	$	0.00
Net Assets Held In Trust For Pension Benefits				
	$	203,594,832.00	$	150,245,403.47

TOTAL ASSETS (MARKET VALUE 12-31-2009)



Schedule A -- Continued

Beaver County Employes' Retirement System

Notes to the Financial Statements for the Fiscal Year Ended December 31, 2009

Summary of Significant Accounting Policies

Basis of Accounting: The Beaver County Employes' Retirement System financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments: Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Plan Descriptions and Contribution Information

Membership of the plan consisted of the following at December 31, 2009, the date of the latest actuarial valuation:

Retirees and Beneficiaries Receiving Benefits	647
Terminated Plan Members Entitled to but not yet Receiving Benefits	77
Active Plan Members	1,409
Total	2,133
Number of Participating Employers	1

Schedule A--Continued

Beaver County Employes' Pension System

Plan Description: The Beaver County Employes' Pension Plan is a single-employer defined benefit pension plan that covers all employees of the County. The plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Cost-of-living adjustments (COLA) are provided at the discretion of the Beaver County Employes' Retirement Board. Act 96 of 1971, as amended cited as the County Pension Law provides for the creation, maintenance and operation of this plan.

Contributions: Plan members are required to contribute 9% of their annual covered salary. The County is required to contribute at an actuarially determined rate. Per Act 96 of 1971, as amended, contribution requirements of the plan members and the County are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. Administrative costs may be financed through investment earnings.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF EMPLOYER CONTRIBUTIONS

Year	Annual Required Contribution	County Contribution
2001	$ 0	$ 0
2002	$ 1,451,894	$ 1,451,894
2003	$ 3,325,708	$ 3,325,708
2004	$ 3,652,159	$ 3,652,159
2005	$ 3,737,244	$ 15,282,136
2006	$ 2,020,537	$ 2,020,537
2007	$ 2,113,111	$ 2,113,111
2008	$ 1,887,756	$ 1,887,756
2009	$ 5,763,864	$ 19,227,192
2010	$ 3,096,622	$

Note: Effective in 2010 the Entry Age Funding Method was used to determine the annual required contribution. Prior to 2010 the Aggregate Method was used.

Schedule A--Continued

REQUIRED SUPPLEMENTARY INFORMATION						
SCHEDULES OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2008	195,369,098	191,872,922	(3,496,176)	101.8%	53,935,875	(6.5)%
1/1/2009	180,412,553	208,134,895	27,722,342	86.7%	56,786,835	48.8%
1/1/2010	208,234,825	215,326,297	7,091,472	96.7%	55,619,978	12.7%

Schedule A--Continued

NOTES TO THE REQUIRED SCHEDULES	
The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:	
Valuation Date	12/31/2009
Actuarial Cost Method	Entry Age
Asset Valuation Method	Greater of Market Value and Actuarial Value as Described in Schedule J
Actuarial Assumptions:	
Investment Rate of Return *	7.5%
Projected Salary Increases *	3.5%
* Includes Inflation at	3%

ACCOUNTING PROCEDURES FOR CALCULATING - NET PENSION OBLIGATION (NPO)

(1) Year	(2) ARC	(3) Interest On NPO***	(4) ARC Adjustment**	(5) Pension Cost (2+3-4)	(6) Contribution	(7) Change in NPO (5-6)	(8) NPO Balance* (BB+7)
2001	0	0	0	0	0	0	0
2002	1,451,894	0	0	1,451,894	1,451,894	0	0
2003	3,325,708	0	0	3,325,708	3,325,708	0	0
2004	3,652,159	0	0	3,652,159	3,652,159	0	0
2005	3,737,244	0	0	3,737,244	15,282,136	(11,544,892)	(11,544,892)
2006	2,020,537	865,867)	(1,342,218)	2,496,888	2,020,537	476,351	(11,068,541)
2007	2,113,111	(830,141)	(1,296,750)	2,579,720	2,113,111	466,609	(10,601,932)
2008	1,887,756	(795,145)	(1,258,323)	2,350,934	1,887,756	463,178	(10,138,754)
2009	5,763,864	(760,407)	(1,212,862)	6,216,319	19,227,192	(13,010,873)	(23,149,627)
2010	3,096,622	(1,736,222)	(2,804,668)	4,165,068			

* BB = Beginning balance for the year.

** ARC Adjustment - Amortization factor based upon level percentage of projected payroll.

*** Interest on the balance of the NPO at the beginning of the year using the investment return rate assumed in determining ARC. The interest is an estimate of the investment earnings lost to the plan on any contributions that were not made (7.5% when applicable).

Schedule B

Schedule B shows the allocation of the assets among the Fund's reserve accounts (see Schedule F for Determination of Reserve Balances) and the Fund's liabilities as of January 1, 2010. The liabilities were determined from the actuarial valuation of the System based upon the data submitted by the County.

ASSETS		
Members' Annuity Reserve Account	$	69,526,187.49
County Annuity Reserve Account	$	61,712,439.46
Retired Members' Reserve Account	$	55,969,246.00
Unrealized Appreciation of Assets	$	16,386,959.05
Total Assets, (Market Value) of the Beaver County Employes' Retirement Fund	$	203,594,832.00
LIABILITIES		
Actuarial Present Value of:		
Accumulated Plan Benefits		
Vested (1,006)	$	50,137,113.00
Nonvested (403)	$	943,627.00
Future Benefit Accruals	$	52,288,142.00
Terminated Vested Benefits	$	3,574,086.00
Retired Benefits	$	55,969,246.00
Member Accumulated Deductions	$	69,526,187.49
Total Liabilities of the Beaver County Employes' Retirement Fund	$	232,438,401.49

Schedule C

Unfunded Actuarial Liability and Normal Cost

Schedule C shows the development of the unfunded actuarial liability and the normal cost for 2010.

I. Unfunded Actuarial Liability January 1, 2010

1. Actuarial Liability:		
(a) Active Participants		
Retirement Benefits	$	75,988,702
Termination Benefits		5,494,805
Death Benefits		4,773,271
Total	$	86,256,778
(b) Terminated Vested Participants	$	3,574,086
(c) Retired Members and Beneficiaries		
Retirement Benefits	$	54,701,614
Cost-of-Living Benefits		1,267,632
Total	$	55,969,246
(d) Member Accumulated Deductions	$	69,526,187
(e) Total (a) + (b) + (c) + (d)	$	215,326,297
2. Valuation Assets:		
(a) Actuarial Value of Plan Assets (see page 15)	$	205,911,360
(b) Excess of Actuarial Value of assets over present value of future benefits for Administrative and CBU plans	$	2,323,465
(c) Total Assets (a) + (b)	$	208,234,825
3. Unfunded Actuarial Liability as of January 1, 2010: (1e) – (2c)	$	7,091,472

II. Normal Cost for 2010

1. Normal Cost for:		
(a) Retirement Benefits	$	1,953,222
(b) Termination Benefits		247,157
(c) Death Benefits		121,647
(d) Normal Cost as of January 1, 2010	$	2,322,026
(e) Normal Cost with interest to end of year: (d) x 1.075	$	2,496,178

Schedule D--Continued

Adjustment for Market Value Fluctuation

In order to reduce the fluctuations in the County normal cost which can result from full recognition of the unrealized appreciation or depreciation of the Fund's securities each year, the value of assets used to determine costs was determined by using the greater of the market value of assets as of the valuation date and adjusting the actuarial value of assets as of the prior valuation date: increased by contributions and other deposits except investment income; decreased by benefit payments and administrative expenses or other payments; and credited with interest at 1% less than the plan's assumed rate to the valuation date. The actuarial value of assets will be limited to a maximum of 130% and a minimum of 70% of the market value of assets as of the valuation date.

1. Actuarial Value of Assets as of 01/01/2009	$	179,461,719
2. Contributions and other deposits except investment income	$	24,344,780
3. Benefit Payments and Administrative Expenses of Other Payments	$	9,283,578
4. Interest at 1% less than the plan's assumed rate to the valuation date 01/01/2009: 0.065 x [(1) + 0 x (2) – 11/24 x (3)]	$	11,388,438
5. Preliminary Actuarial Value of Assets: (1) + (2) – (3) + (4)	$	205,911,360
6. Market Value of Assets as of 01/01/2010	$	203,594,832
7. 70% of Market Value: .7 x (6)	$	142,516,382
8. 130% of Market Value: 1.3 x (6)	$	264,673,282
9. Actuarial Value of Assets as of 01/01/2010: Greater of (5) and (6) but not less than (7) nor more than (8)	$	205,911,360

Schedule E

Amortization Schedule

Schedule E provides a record of the amortization amounts. Actuarial gains (losses) will be amortized over 15 years from the date determined; increases or decreases created by pension plan establishing an unfunded actuarial accrued liability will be amortized over 30 years from the effective establishment date; increases or decreases created by a modification in the benefit plan applicable to active members will be amortized over 20 years beginning with the January 1st coinciding with or next following the effective date of change; increases or decreases created by a modification in the benefit plan applicable to retired members will be amortized over 10 years beginning with the January 1st coinciding with or next following the effective date of change; increase in actuarial accrued liability attributable to the special early retirement provision will be amortized over 5 years beginning with the January 1st coinciding with or next following the end of the early retirement period; and increases or decreases created by changes in actuarial assumptions will be amortized over 20 years from the effective date of change.

Amortization Record for 2010

			As of January 1, 2010		
	Initial Amount	Effective Date	Remaining Period	Outstanding Balance	Amortization Charge or Credit
1. Amortization of Liability for:					
(a) Initial unfunded liability	$ 7,091,472	1/1/2010	30 years	$ 7,091,472	$ 600,444
(b) Total				$ 7,091,472	$ 600,444

Schedule F

Schedule F determines the certified Annual Required Contribution (ARC) of $3,096,622 for 2010 for the Beaver County Employes' Retirement System.

1.	Total Amortization Charge/(Credit) (page 12 1(b))	$ 600,444
2.	Normal Cost with interest to end of year (page 10 II 1(e))	$ 2,496,178
3.	Total Funding Requirement for 2010 (Annual Required Contribution (ARC) for 2010): (1) + (2)	$ 3,096,622

Notes:

The Annual Required Contribution (ARC) for 2010 as a percentage of the estimated 2010 compensation ($55,619,978) for active members is 5.57%.

The equivalent normal cost accrual rate to be applied to actual 2009 salaries to determine reimbursable expenses is 5.76%.

Schedule G

The following are notes to Schedules B and I:

Members' Annuity Reserve Account

The balance of $69,526,187.49 in this account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of January 1, 2010. Since these accumulations represent the present value as of January 1, 2010, of future benefits, the reserve balance and liability are identical.

County Annuity Reserve Account

The balance of $61,712,439.46 in this account as of January 1, 2010 and the amounts expected to be credited in the future, plus investment earnings, represent the reserves set aside for the payment of the county's share of the retirement allowances.

This is the account out of which regular interest is credited to the member's annuity and retired members' reserve account, administrative expenses may be paid and the pension obligations of the County are funded.

When a County Annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County Annuity Reserve Account to the Retired Members' Reserve Account to provide for such County Annuities actually entered upon.

Retired Members' Reserve Account

This is the account out of which monthly retirement allowances including cost-of-living increases and death benefits are paid.

The assets allocated to this reserve account as of January 1, 2010 amount to $55,969,246.00. The corresponding liability for those annuitants on the roll is identical.

Schedule G

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Schedule H

APPROXIMATE RATE OF RETURN FOR 2009 PLAN YEAR				
		Actuarial Value		Market Value
1. Value as of December 31, 2008	$	179,461,718.63	$	150,245,403.47
2. Contributions Received During Year	$	24,344,780.18	$	24,344,780.18
3. Benefits and Expenses Paid During Year	$	9,283,578.09	$	9,283,578.09
4. Value as of December 31, 2009	$	205,911,359.56	$	203,594,832.00
5. Non-Investment Increment: (2) - (3)	$	15,061,202.09	$	15,061,202.09
6. Investment Increment: (4) - (1) - (5)	$	11,388,438.81	$	38,288,226.44
7. Time Weighted Value of Assets: (1) + .5(5)	$	186,992,319.68	$	157,776,004.52
8. Approximate Rate of Return for 2009: (6) / (7)		6.09%		24.27%

HISTORY OF RATE OF RETURNS

Plan Year	Actuarial Value Rate of Return	Market Value Rate of Return
2008	(6.12) %	(20.10) %
2007		4.98 %
2006		13.77 %
2005		2.55 %
2004		7.08 %
2003		17.48 %
2002		(5.31) %
2001		(2.60) %
2000		(0.14) %
Five Year Average:		3.99 %
Ten Year Average:		3.49 %

Schedule I

Determination of Reserve Balances

	M.A.R.A.	C.A.R.A	R.M.R.A.	TOTAL
Balance 1/1/2009	$ 64,901,129.82	$ 50,636,137.01	$ 50,754,170.00	$ 166,291,436.83
County Appropriations		19,227,192.00		
Member Contributions	5,117,588.18			
Net Investment Income		5,855,234.03		
Investment Expenses		(774,080.53)		
Member Contributions Refunded	(845,693.44)			
Pension Payments			(7,510,546.34)	
Death Benefits			(115,759.83)	
Retiree and Death Benefit Transfers	(3,211,056.36)	(4,741,066.82)	7,952,123.18	
Administrative Expenses		(37,497.95)		
Balance Before Interest	65,961,968.20	70,165,917.74	51,079,987.01	187,207,872.95
Interest Allocated in 2009	3,564,219.29	(5,600,902.43)	2,036,683.14	
Balance Before Actuarial Adjustments	69,526,187.49	64,565,015.31	53,116,670.15	187,207,872.95
Actuarial Adjustments		(2,852,575.85)	2,852,575.85	
Ending Balance 12/31/2009	69,526,187.49	61,712,439.46	55,969,246.00	187,207,872.95
Unrealized Appreciation				16,386,959.05
Total Assets (12/31/2009) (Market Value)				203,594,832.00

Schedule J

Membership History

Below is a ten-year history of the Retirement System's membership.

	ACTIVE MEMBERS AND VESTED TERMINATED MEMBERS			RETIRED MEMBERS AND BENEFICIARIES		
January 1	Male	Female	Total	Male	Female	Total
2010	453	1,033	1,486	186	452	638*
2009	461	1,040	1,501	175	429	604
2008	452	1,043	1,495	152	399	551
2007	452	1,021	1,473	148	376	524
2006	449	1,003	1,452	143	351	494
2005	449	1,007	1,456	137	315	452
2004	508	1,073	1,581	116	271	387
2003	515	1,067	1,582	109	254	363
2002	489	1,044	1,533	100	239	339
2001	466	1,037	1,503	95	223	318

* This total does not include 9 County retirees who are receiving monthly retirement payments from Hartford in addition to cost of living payments from Beaver County Employes' Retirement Fund.

Schedule K

Changes in Plan Participation From January 1, 2009 to January 1, 2010

ACTIVE PARTICIPANTS		
Number as of January 1, 2009		1,443
Changes During Plan Year:		
Retired	(-)	34
Terminated and Vested	(-)	20
Terminated	(-)	83
Died	(-)	2
New Participants	(+)	105
Number as of January 1, 2010		1,409

RETIRED PARTICIPANTS		
Number as of January 1, 2009		604
Changes During Plan Year:		
Returned to Active Service	(-)	0
Died	(-)	5
New Retirements from Active Service	(+)	34
New Surviving Annuitants	(+)	1
Vested Terminated Participants Whose Benefits Commenced	(+)	1
Additions	(+)	3
Number as of January 1, 2010		638

TERMINATED VESTED PARTICIPANTS		
Number as of January 1, 2009		58
Changes During Plan Year:		
Returned to Active Service	(-)	0
Benefits Commenced	(-)	1
Died	(-)	0
New Termination's with Vesting	(+)	20
Number as of January 1, 2010		77

Schedule L

Age, Service and Average Salary Profile of the Active Members on January 1, 2010.

MALES -- FULL YEARS OF SERVICE TO JANUARY 1, 2010									
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Average Salary
0-19	0	0	0	0	0	0	0	0	$ 0
20-24	9	1	0	0	0	0	0	10	$ 22,933
25-29	23	11	0	0	0	0	0	34	$ 30,538
30-34	19	19	6	0	0	0	0	44	$ 36,799
35-39	19	8	17	9	0	0	0	53	$ 42,498
40-44	7	8	14	20	5	0	0	54	$ 45,439
45-49	8	4	6	12	12	3	0	45	$ 46,812
50-54	6	9	13	14	21	8	6	77	$ 44,678
55-59	8	13	8	6	10	10	6	61	$ 47,186
60-64	6	5	8	6	2	4	5	36	$ 45,411
65 +	2	4	4	2	1	1	1	15	$ 37,903
Total	107	82	76	69	51	26	18	429	$ 42,474

Average Age: 45.65
Average Service: 12.63

FEMALES -- FULL YEARS OF SERVICE TO JANUARY 1, 2010									
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Average Salary
0-19	1	0	0	0	0	0	0	1	$ 27,448
20-24	24	1	0	0	0	0	0	25	$ 28,613
25-29	40	20	3	0	0	0	0	63	$ 33,108
30-34	27	33	23	1	0	0	0	84	$ 35,487
35-39	32	18	28	9	3	0	0	90	$ 37,353
40-44	25	27	24	23	10	0	0	109	$ 38,808
45-49	26	34	28	25	22	6	6	147	$ 38,356
50-54	17	26	26	36	41	4	19	169	$ 40,055
55-59	14	26	42	31	35	12	12	172	$ 40,992
60-64	8	19	15	19	17	7	4	89	$ 37,786
65 +	5	6	6	7	6	1	0	31	$ 37,938
Total	219	210	195	151	134	30	41	980	$ 38,162

Average Age: 46.95
Average Service: 12.19

Schedule M

Actuarial Assumptions and Actuarial Cost Method for Funding Purposes, January 1, 2010.

Actuarial Assumptions

Mortality Rates: The life expectancy of all members (active and retired) is determined in accordance with the mortality rates set forth in the 1983 Group Annuity Mortality Table.

Withdrawal Rates: Members not eligible to retire are assumed to terminate employment in accordance with a percentage of the withdrawal rates set forth in Table T-7 of the Actuary's Handbook. The applicable percentage depends on the member's years of service as follows:

YEARS OF SERVICE	PERCENTAGE
less than 1	300 %
1 but less than 2	275 %
2 but less than 3	250 %
3 but less than 4	225 %
4 but less than 5	200 %
5 but less than 6	175 %
6 or more	100 %

It is further assumed that a percentage of members who terminate after having met the Plan's five year vesting requirement will elect an immediate refund of their own contributions with interest thus forfeiting the County -- provided pension. The applicable percentage is 100% for termination ages up to age 30. After age 30 the applicable percentage is determined as 100% less (age - 30) x 3 1/3%. Illustrative percentages are as follows:

AGE	PERCENTAGE
30 or less	100.0 %
35	83.3 %
40	66.7 %
45	50.0 %
50	33.3 %
55	16.7 %

Schedule M--Continued

The following tables set forth illustrative withdrawal rates as determined in accordance with the methodology described on the previous page.

Probability of Withdrawing During Year:

LESS THAN FIVE YEARS OF SERVICE					
	Years of Service				
Age at Hire	0	1	2	3	4
20	.2982	.2720	.2460	.2202	.1947
30	.2791	.2532	.2275	.2021	.1770
40	.2326	.2067	.1814	.1570	.1335
50	.1267	.1013	.0781	.0577	.0407
59	.0086	-	-	-	-

FIVE OR MORE YEARS OF SERVICE		
Age at Beginning of Year	Probability of Withdrawing and Forfeiting County Pension	Probability of Withdrawing and Retaining County Pension
30	.0930	.0000
40	.0517	.0258
50	.0141	.0281
59	.0001	.0028

Schedule M--Continued

Retirement Rates: Members eligible to retire are assumed to retire in accordance with the following rates:

AGE AT BEGINNING OF YEAR	PROBABILITY OF RETIRING DURING YEAR
55-59	.07
60-61	.08
62-64	.15
65	.34
66-70	.23
71-79	.21
80	1.00

Disability Rates	Disability rates are not used.
Investment Return	7.5% per annum, compounded annually.
Salary Increases	3.5% per annum.
Valuation Assets	The greater of the market value of assets as of the valuation date and the actuarial value of assets as of the prior valuation date plus contributions and other deposits except investment income minus benefit payments and administrative expenses or other payments plus credited interest at 1% less than the plans' assumed rate to the valuation date. The actuarial value of assets will be limited to a maximum of 130% and a minimum of 70% of the market value of assets as of the valuation date.
Administrative Expenses	Assumed to be paid from the County's general fund and not from plan assets. However, administrative expenses may from year to year be paid from the fund unless it is determined by the actuary that such payment will impair the actuarial soundness of the fund.
Actuarial Cost Method	The actuarial cost method used to determine the plan's funding requirements is the entry age normal method. Under this method, an actuarial accrued liability is determined as the actuarial present value of projected benefits for all participants minus the actuarial present value of future normal costs. The normal cost is determined as the annual amount required to fund between entry age and assumed exit age the actuarial present value of projected benefits for each active participant under the assumed retirement age.
Changes Since Prior Year	The Actuarial Cost Method was changed from the Aggregate Actuarial Cost Method to the Entry Age Normal Actuarial Cost Method. The Salary Increases was changed from 4.5% per annum to 3.5% per annum. The method of determining the Valuation Assets was changed from a 5 year smoothing method to the method as defined in Act 44. There were no other changes in plan provisions since the previous actuarial valuation as of January 1, 2009.

Schedule N

Summary of Plan Provisions

1. Effective Date

The effective date of this plan is January 1, 1942.

2. Eligibility for Plan Membership

An employee shall be eligible to become a participant immediately upon becoming an employee.

3. Accrued Benefit

The Retirement Board has authorized benefits equal to a percentage of the members Final Average Salary for each year of service the member has participated in the following Classes:

CLASS	PERCENTAGE	EFFECTIVE
1/120	0.833%	01/01/1942
1/100	1.000%	01/01/1950
1/80	1.250%	01/01/1965
1/60	1.667%	01/01/1972

4. Normal Retirement (Superannuation)

Eligibility: Retirement occurs at age 60 or at age 55 if the participant has completed 20 years of service.

Pension: A monthly pension equal to (a) and (b), as follows:

(a) 0.833% of 1/12th of Final "Average" Salary multiplied by years of credited service on the 1/120 Class,

1.000% of 1/12th of Final "Average" Salary multiplied by years of credited service on the 1/100 Class,

1.250% of 1/12th of Final "Average" Salary multiplied by years of credited service on the 1/80 Class,

1.667% of 1/12th of Final "Average" Salary multiplied by years of credited service on the 1/60 Class,

PLUS

(b) a monthly annuity based on the actuarial equivalent of the member's accumulated contributions with credited interest.

Schedule N--Continued

5. Final "Average" Salary

The average of the member's annual compensation received for the three years which produce the highest such average.

6. Compensation

Pick-up contributions plus remuneration received as a county employee excluding refunds for expenses, contingency and accountable expense allowances and excluding severance payments or payments for unused vacation or sick leave.

7. Early Retirement

Eligibility:

Voluntary: Upon completion of 20 years of service.

Involuntary: Upon completion of 8 years of service.

Pension:

(a) a monthly pension equal to the actuarial equivalent of the benefits calculated in 4(a),

PLUS

(b) a monthly annuity based on the actuarial equivalent of the member's accumulated contributions with credited interest.

8. Vesting

One Hundred Percent (100%) upon completion of five years of credited service. A member who terminates employment after five years of credited service will receive a deferred annuity commencing at age 60 (or at age 55 if the member has at least 20 years of service at termination). The deferred benefit shall be calculated using the normal retirement pension formula but based on credited service, final average salary and accumulated contributions at termination.

If a member terminates employment prior to entitlement to Plan benefits, he will receive his accumulated contributions with interest.

9. Postponed Retirement

A member may work past normal retirement age and continue to accrue pension credits.

Schedule N--Continued

10. Disability Retirement

Eligibility: Total and permanent disability prior to Superannuation (Normal Retirement) age and after completion of five years of credited service.

Pension: A total monthly pension commencing on the last day of the month following disability retirement equal to 25% of the 1/12th of Final Average Salary at time of retirement. Such total monthly pension shall include the monthly disability that is actuarially equivalent to the member's accumulated contributions at retirement.

11. Normal Form of Pension

Benefits are payable in the form of a modified cash refund life annuity, that is for the member's lifetime only, except that disability benefits shall cease upon cessation of disability.

12. Optional Retirement Benefits

A member may elect to receive the actuarial equivalent of his retirement benefit as a full cash refund annuity (Option One) or a reduced joint and survivor pension payable for the remainder of his life, with either 100% or 50% of the member's pension continuing after death to the designated beneficiary. A member may also elect to receive, in one payment, the full amount of his accumulated deductions and continue to receive the annuity provided by the county.

13. Death Benefits

(a) Pre-Retirement. If a member dies after having attained age 60 <u>or</u> having completed ten years of credited service, his beneficiary will receive a lump sum equal to the actuarially determined present value of the benefits calculated in (7a) based on the member's Final Average Salary and credited service at time of death plus the member's accumulated contributions with interest at time of death.

(b) Post-Retirement. Upon the death of a terminated or retired member, his beneficiary will receive survivor benefits, if any, in accordance with the form under which benefits were being paid to the member. In any event, the total amount of benefits paid to the deceased member and beneficiary must, at least, equal the member's accumulated contributions with interest.

Schedule N--Continued

14. Employee Contributions

Employees on the 1/120 Class must contribute between 5% and 15% of salary.
Employees on the 1/100 Class must contribute between 6% and 16% of salary.

Employees on the 1/80 Class must contribute between 7% and 17% of salary.

Employees on the 1/60 Class must contribute between 9% and 19% of salary.

15. Deposit Administrator

Investment Managers:
C.S. McKee
MDL Capital
Commonwealth Security
Ameriserv/Attilanus Fund
Boston Company

Financial Consultant:
Morrison Fiduciary Advisors

16. Administration

Retirement Board as designated in Act 96 of 1971, the County Pension Law.

17. Cost-of-Living

The cost-of-living increase shall be reviewed at least once in every three years by the Retirement Board. The Board has granted cost-of-living increases in the past as follows:

PERCENTAGE CHANGE IN C.P.I.	EFFECTIVE DATE OF INCREASE
25 %	1/1/1987
25 %	1/1/1989
25 %	1/1/1990
25 %	1/1/1993
25 %	1/1/1997
100 %	1/1/2000

Schedule O

Historical Trend Information

REVENUES BY SOURCE					
Fiscal Year	Employee Contributions	Employer Contributions	Investment Income	Miscellaneous	Total
2000	$ 3,674,766	$ 0	$ 7,734,917	$ 10,760	$ 11,420,443
2001	3,916,060	0	(274,679)	390,836	4,032,217
2002	4,247,750	1,451,894	(969,434)	6,692	4,736,902
2003	4,478,111	3,325,708	5,259,729	12,459	13,076,007
2004	4,313,641	3,652,159	9,116,367	23,359	17,105,526
2005	4,646,279	15,282,136	10,868,306	944,788	31,741,509
2006	4,417,118	2,020,537	10,287,413	183,644	16,908,712
2007	4,673,009	2,113,111	13,165,607	108,286	20,060,013
2008	5,057,431	1,887,756	(2,616,564)	0	4,328,623
2009	5,117,588	19,227,192	5,855,234	0	30,200,014

EXPENSES BY TYPE				
Fiscal Year	Benefits	Refunds	Administrative/ Miscellaneous	Total
2000	$ 2,737,690	$ 906,973	$ 523,173	$ 4,167,836
2001	2,911,218	718,986	667,813	4,298,017
2002	3,754,457	729,366	464,218	4,948,041
2003	4,028,888	631,848	459,079	5,119,815
2004	4,547,629	1,048,016	490,767	6,086,412
2005	6,291,405	1,535,165	636,412	8,462,982
2006	5,415,047	812,788	716,364	6,944,199
2007	6,085,489	1,012,478	822,822	7,920,789
2008	6,202,485	1,082,591	715,656	8,000,732
2009	7,626,306	845,693	811,578	9,283,577

Beaver Valley Geriatric Center Collective Bargaining Unit Employees Retirement Plan

Actuarial Report January 1, 2010

HayGroup®

HayGroup®

Prepared By:

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Philadelphia, Pennsylvania 19107-3388

for

Beaver County Employes' Retirement Board

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I. Valuation Highlights

	January 1, 2009	January 1, 2010
Employer's Contributions	$ 0	$ 0
Actuarial Value of Assets	3,686,337	4,470,951
Actuarial Present Value of Accumulated Plan Benefits:		
Vested Benefits *	2,466,231	2,457,697
Non-Vested Benefits	0	0
Total	2,466,231	2,457,697
Active Participants:		
Number	22	20
Pensioners and Beneficiaries:		
Number	116	116
Total Annual Pension	178,843	182,275
Terminated Vested Participants:		
Number	54	52
Total Annual Pension	74,179	71,257

*** Does not include employee contributions.**

II. Schedules

Schedule A

Plan Assets

Plan Assets December 31, 2009		
		Market Value
Cash Equivalents	$	127,489.69
Government Securities	$	560,073.40
Corporate Bonds	$	395,104.25
Common Stock	$	2,555,078.78
Ameriserv/Attilanus	$	284,801.34
Mortgage Obligations	$	58,291.70
Foreign Securities	$	304,490.21
Mutual Funds	$	185,621.14
Assets at Market Value, December 31, 2009	$	4,470,950.51

Schedule A–Continued

Reconciliation of Assets

		Market Value
1. Total Assets December 31, 2008	$	3,686,337.00
2. Increases		
(a) Employer Appropriation for 2009	$	0.00
(b) Employee Contributions	$	4,276.36
(c) Net Investment Income	$	830,095.42
(d) Miscellaneous	$	127,464.45
(e) Total Increase	$	961,836.23
3. Decreases		
(a) Refund of Employee Contributions	$	0.00
(b) Retirement Allowances Paid	$	177,222.72
(c) Death Benefits	$	0.00
(d) Miscellaneous	$	0.00
(e) Total Decreases	$	177,222.72
4. Total Assets December 31, 2009 (Market Value) (1) + (2) - (3)	$	4,470,950.51

Actuarial Value Of Assets January 1, 2010

The December 31, 2009 market value of assets, $4,470,950.51 was used as the actuarial value of assets as of January 1, 2010.

Schedule B

Actuarial Balance Sheet January 1, 2009

Assets		
Present Assets		
National City Trust	$	4,470,950.51
Reserve for Future Liabilities	$	(1,725,795.84)
Total Assets	$	2,745,154.67
Liabilities		
Actuarial Present Value of Accumulated Plan Benefits		
Vested benefits:		
Active Participants	$	415,643.00
Retired Participants	$	1,434,245.00
Terminated Participants	$	607,809.00
Employee Contributions	$	258,595.67
Total Vested Benefits	$	2,716,292.67
Non-Vested Benefits:	$	0.00
Total Accumulated Benefits	$	2,716,292.67
Actuarial Present Value of Future Benefit Accruals		
Active Participants	$	28,862.00
Total Liabilities	$	2,745,154.67

Schedule C

Development of Normal Cost January 1, 2010

1. Actuarial Present Value of Projected Benefits:		
(a) Active Participants		
Retirement Benefits	$	441,971.00
Termination Benefits	$	1,693.00
Death Benefits	$	841.00
Total	$	444,505.00
(b) Retired Participants and Beneficiaries	$	1,434,245.00
(c) Terminated Vested Participants	$	607,809.00
(d) Employee Contributions	$	258,595.67
(e) Total	$	2,745,154.67
2. Actuarial Value of Assets (See Schedule A)	$	4,470,950.51
3. Actuarial Present Value of Future Normal Costs: (1) - (2) (not less than zero)	$	0.00
4. Actuarial Present Value of Future Service Years	$	44
5. Normal Cost Accrual Rate: (3) / (4)	$	0.00
6. Current Number of Active Participants Under Age 60 (Nearest Birthday)		13
7. Total Normal Cost as of January 1, 2010: (5) x (6)	$	0.00

Schedule D

Age and Service Profile of Active Participants
January 1, 2010

Males -- Full Years of Service to January 1, 2010								
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
0-19	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0
65 +	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0

Average Age: 00.00
Average Duration: 00.00

Females -- Full Years of Service to January 1, 2010								
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
0-19	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	4	4
55-59	0	0	0	0	0	0	9	9
60-64	0	0	0	0	0	0	3	3
65 +	0	0	0	0	0	0	4	4
Total	0	0	0	0	0	0	20	20

Average Age: 60.05
Average Duration: 34.15

Schedule E

Summary of Principal Plan Provisions as of January 1, 2010

1. Type of Plan

The Plan is a defined benefit plan.

2. Effective Date

The Plan became effective January 21, 1975.

3. Eligibility for Participation

All employees as of May 20, 1978 who are members of the Service Employees International Union, Local 585, are eligible.

4. Definitions

Plan Year: A Plan Year is a 12-month period beginning on January 1 and ending on December 31.

Credited Service: All service from date of hire to retirement or termination; service credits transferred to the Beaver County Retirement Plan are excluded. Each year during which a participant works 1,000 hours is credited as one year of service.

Accrued Benefit: A monthly benefit for life equal to $6.20 multiplied by years of Credited Service.

5. Retirement Benefits

Normal Retirement

Normal Retirement Date: The first day of the month coincident with or next following a participant's 60th birthday.

Normal Retirement Benefit: A monthly benefit equal to the Accrued Benefit.

Early Retirement

Early Retirement Date: The first day of any month after the participant has both attained age 50 and completed at least 8 Vesting Years.

Schedule E–Continued

Early Retirement Benefit: A monthly benefit equal to the Accrued Benefit commencing at age 60, or a reduced monthly benefit beginning the first of any earlier month, with the reduction factor equal 1/180 for each of the first 60 months, and 1/360 for each of the next 60 months that Early Retirement Date precedes the Normal Retirement Date.

Postponed Retirement

Postponed Retirement Date: The first day of any month after the participant's Normal Retirement Date.

Postponed Retirement Benefit: The accrued benefit as of the Postponed Retirement Date.

6. Termination Benefit

Eligibility: Eight years of service.

Termination Benefit: A monthly benefit equal to the Accrued Benefit, commencing at age 60.

7. Death Benefits

Pre-retirement Spouse's Benefit: None

Post-retirement Spouse's Benefit: None, except as provided by the election of an optional form of payment.

8. Disability Benefit

Eligibility: Ten years of service and permanent and total disablement in accordance with the Federal Social Security Act.

Disability Benefit: A monthly benefit equal to 25% of the Accrued Benefit at disablement, commencing the first day of the month following eligibility.

Schedule F

Actuarial Assumptions for Cost Calculations

Interest

7.5% per annum, compounded annually.

Mortality

1983 Group Annuity Mortality Table for males.

Withdrawal

Withdrawal rates from Table T-3 of the Actuary's Pension Handbook were assumed. Specimen rates are illustrated below:

Age	Rates of Withdrawal
25	5.3%
30	4.8
35	4.5
40	3.8
45	3.2
50	1.5
55	0.3

Retirement

Active employees were assumed to retire at age 60.

Disability

1964 OASDI Disability rates for males.

Disabled Life Mortality

Pragmatic Disabled Life Continuance Table.

Asset Valuation Method

Market value.

Actuarial Cost Methods

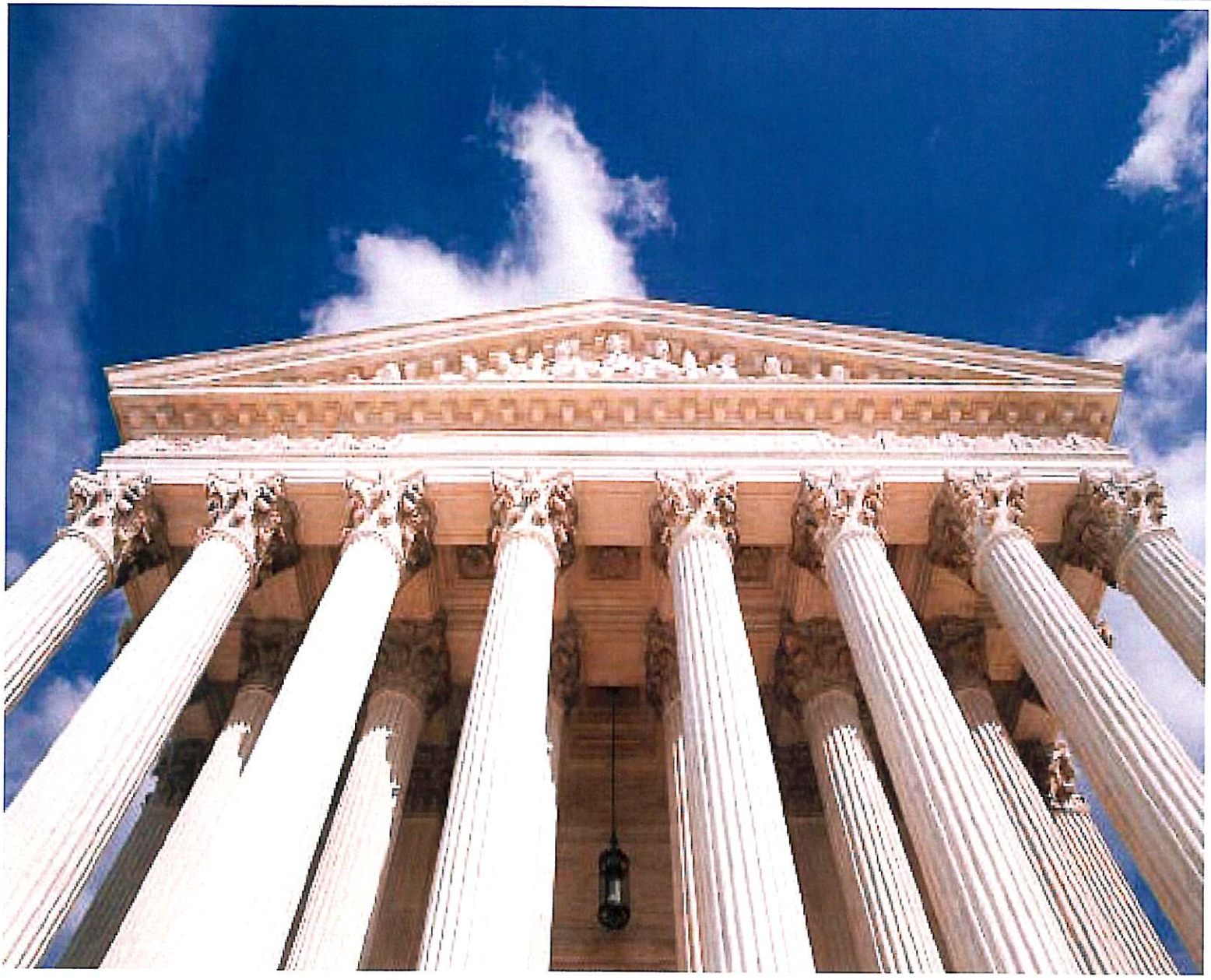
The Aggregate Actuarial Cost Method was used to determine liabilities and costs related to retirement, termination, death and disability benefits. Under this method, the value of present assets are subtracted from the present value of all future benefit payments. The difference is spread evenly over the future service of all members. This normal cost includes an adjustment for gains and losses due to actuarial experience.

Benefits related to non-vested terminated participants are not valued even though benefits might be reinstated if any such participants are re-hired.

Beaver Valley Geriatric Center Administrative Employees Retirement System

Actuarial Report January 1, 2010

HayGroup®



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I. Valuation Highlights

	January 1, 2007	January 1, 2008	January 1, 2009	January 1, 2010
Range of Contributions:				
Standard	$ 0	$ 0	$ 0	$ 0
Actuarial Value of Assets**	8,846,108	8,662,019	6,664,892	7,996,540
Actuarial Present Value of Accumulated Plan Benefits:				
Vested benefits *	5,804,562	6,067,953	6,253,202	6,303,421
Non-Vested Benefits	0	0	0	0
Total	5,512,056	6,067,953	6,253,202	6,303,421
Active Participants:				
Number	15	14	12	12
Average Compensation	54,023	58,975	62,288	61,439
Total Compensation	810,347	815,975	747,461	737,265
Pensioners and Beneficiaries:				
Number	44	49	50	50
Total Annual Pension	433,335	460,670	502,259	502,259
Terminated Vested Participants:				
Number	22	18	18	18
Total Annual Pension	$ 65,929	$ 53,844	$ 53,844	$ 53,844

* Does not include employee contributions.

** Market Value.

II. Schedules

Schedule A

Plan Assets

Plan Assets December 31, 2009		
		Market Value
Cash Equivalents	$	229,079.52
Government Securities	$	1,006,366.45
Corporate Bonds	$	709,942.08
Common Stock	$	4,591,086.83
Ameriserv/Attilanus Fund	$	474,668.90
Mortgage Obligations	$	104,741.30
Foreign Securities	$	547,122.47
Mutual Funds	$	333,532.87
Net Assets (Market Value) Available for Benefits, December 31, 2009	$	7,996,540.42

Schedule A–Continued

Reconciliation Of Assets			
			Market Value
1.	Total Assets December 31, 2008	$	6,664,892.05
2.	Increases		
(a)	Employer Appropriation for 2009	$	150,015.00
(b)	Employee Contributions	$	1,752.12
(c)	Net Investment Income	$	1,448,769.60
(d)	Miscellaneous	$	229,473.10
(e)	Total Increase	$	1,830,009.82
3.	Decreases		
(a)	Refund of Employee Contributions	$	0.00
(b)	Retirement Allowances Paid (including withholding taxes)	$	498,361.45
(c)	Death Benefits	$	0.00
(d)	Miscellaneous	$	0.00
(e)	Total Decreases	$	498,361.45
4.	Total Assets (Market Value) December 31, 2009 (1) + (2e) - (3e)	$	7,996,540.42

Actuarial Value Of Assets January 1, 2010

The December 31, 2009 market value of assets, $7,996,540.42 was used as the actuarial value of assets as of January 1, 2010.

Schedule B

Actuarial Balance Sheet January 1, 2010

Assets		
Present Assets		
National City Trust	$	7,996,540.42
Reserve for Future Liabilities	$	(597,669.66)
Total Assets	$	7,398,870.76
Liabilities		
Actuarial Present Value of Accumulated Plan Benefits		
Vested Benefits:		
Active Participants	$	2,557,424.00
Retired Participants	$	3,248,253.00
Terminated Participants	$	497,744.00
Employee Contributions	$	118,790.76
Total Vested Benefits	$	6,422,211.76
Non-Vested Benefits:	$	0.00
Total Accumulated Benefits	$	6,422,211.76
Actuarial Present Value of Future Benefit Accruals		0.00
Active Participants	$	976,659.00
Total Liabilities	$	7,398,870.76

Schedule C

Development of Normal Cost January 1, 2010

1.	Actuarial present value of projected benefits		
	(a) Active participants		
	Retirement benefits	$	3,315,753.00
	Termination benefits		175.00
	Disability benefits		135,953.00
	Death benefits		82,203.00
	Total	$	3,534,083.00
	(b) Retired participants and beneficiaries		3,248,253.00
	(c) Terminated vested participants		497,744.00
	(d) Employee contributions		118,790.76
	(e) Total	$	7,398,870.76
2.	Actuarial value of assets (see Schedule A)		7,996,540.42
3.	Actuarial present value of future normal costs: (1) - (2) (not less than zero)		0.00
4.	Actuarial present value of future compensation		3,372,057.00
5.	Normal cost accrual rate: (3) / (4)		0.00%
6.	Current compensation for active participants under age 62 (nearest birthday)	$	737,265.00
7.	Total normal cost (ARC) as of January 1, 2010: (5) x (6)	$	0.00

Schedule D

Age, Service and Average Salary Profile of the Active Participants on January 1, 2010

Males -- Full Years of Service to January 1, 2010									
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Average Salary
0-19	0	0	0	0	0	0	0	0	$ 0
20-24	0	0	0	0	0	0	0	0	$ 0
25-29	0	0	0	0	0	0	0	0	$ 0
30-34	0	0	0	0	0	0	0	0	$ 0
35-39	0	0	0	0	0	0	0	0	$ 0
40-44	0	0	0	0	0	0	0	0	$ 0
45-49	0	0	0	0	0	0	0	0	$ 0
50-54	0	0	0	0	0	0	0	0	$ 0
55-59	0	0	0	0	0	0	1	1	$ 63,357
60-64	0	0	0	0	0	0	1	1	$ 71,906
65 +	0	0	0	0	0	0	0	0	$ 0
Total	0	0	0	0	0	0	2	2	$ 67,631

Average Age: 59.50
Average Service: 38.50

Females -- Full Years of Service to January 1, 2010									
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Average Salary
0-19	0	0	0	0	0	0	0	0	$ 0
20-24	0	0	0	0	0	0	0	0	$ 0
25-29	0	0	0	0	0	0	0	0	$ 0
30-34	0	0	0	0	0	0	0	0	$ 0
35-39	0	0	0	0	0	0	0	0	$ 0
40-44	0	0	0	0	0	0	0	0	$ 0
45-49	0	0	0	0	0	0	0	0	$ 0
50-54	0	0	0	0	0	0	3	3	$ 49,350
55-59	0	0	0	0	0	0	6	6	$ 63,773
60-64	0	0	0	0	0	0	1	1	$ 71,314
65 +	0	0	0	0	0	0	0	0	$ 0
Total	0	0	0	0	0	0	10	10	$ 60,200

Average Age: 56.40
Average Service: 34.30

Schedule E

Summary of Principal Plan Provisions

Type of Plan	The Plan is a defined benefit plan.
Effective Date	The Plan became effective January 21, 1975.
Eligibility for Participation	All full-time, non-union employees of the Beaver Valley Geriatric Center as of May 20, 1978 are eligible.
Definitions	**Plan Year**: A Plan Year is a 12-month period beginning on January 1 and ending on December 31.
	Past Service: Years and portions of a year (number of days over 365) through 1971.
	Future Years: The number of calendar years after 1971 during which a participant works 1,000 hours.
	Accrued Benefit: A monthly benefit equal to 1.0% of Average Monthly Earnings multiplied by Past Service, plus 1.5% of Average Monthly Earnings multiplied by Future Service, reduced by any monthly amount payable from the Beaver County Retirement Plan.
	Compensation: Total compensation, not to exceed that of the highest paid elected official.
	Average Monthly Earnings: The total compensation of the participant in the 36 consecutive months of employment which produce the highest total, divided by 36.
Retirement Benefits	**Normal Retirement**
	Normal Retirement Date: The first day of the month coincident with or next following a participant's 60th birthday.
	Normal Retirement Benefit: A monthly benefit equal to the Accrued Benefit.

Schedule E–Continued

Retirement Benefits

Early Retirement

Early Retirement Date: The first day of any month after the participant has both attained age 50 and completed at least 20 Vesting Years.

Early Retirement Benefit: The Accrued Benefit commencing at age 60, or a benefit reduced by 1/180 per month for each of the first 60 months, and 1/360 per month for each additional year by which the Early Retirement Date precedes the Normal Retirement Date.

Postponed Retirement

Postponed Retirement Date: The first day of any month after the participant's Normal Retirement Date.

Postponed Retirement Benefit: The accrued benefit as of the Postponed Retirement Date.

Termination Benefit

Eligibility: Eight years of service.

Termination Benefit: The Accrued Benefit, with payments commencing the first day of the month coincident with or next following the participant's 60th birthday.

Death Benefits

Pre-retirement Spouse's Benefit

Eligibility*:* Ten years of service.

Spouse's Benefit: A lump sum equal to the actuarial present value of the participant's Accrued Benefit as of the date of his death.

Post-retirement Spouse's Benefit: None, except as provided by the election of an optional form of payment.

Schedule E–Continued

Disability Benefit

Eligibility: Five years of service and permanently and totally disabled in accordance with the Federal Social Security Act.

Disability Benefit: The Accrued Benefit as of the date of disability.

Schedule F

Actuarial Assumptions

Actuarial Assumptions for Cost Calculations

Interest: 7.5% per annum, compounded annually.

Salary Increases: 4.5% per annum.

Mortality: 1983 Group Annuity Mortality Table for males.

Withdrawal: Withdrawal rates from Table T-2 of the Actuary's Pension Handbook were assumed.

Sample rates are illustrated below:

Age	Rates of Withdrawal
25	5.3%
30	5.1
35	4.7
40	3.5
45	1.8
50	.4

Retirement: All active employees were assumed to retire at age 62, or immediately if over age 62.

Disability: Rates of disability as adopted from 1964 OASDI experience (Males).

Disabled Life Mortality: Pragmatic Disabled Life Continuance Table.

Expenses: None.

Asset Valuation Method: Market Value.

Schedule F–Continued

Actuarial Assumptions for Calculation of Actual Present Value of Accumulated Plan Benefits	Same as above except no future salary or taxable wage base increases were assumed.
Actuarial Cost Methods	The Aggregate Actuarial Cost Method was used to determine liabilities and costs related to retirement termination, death and disability benefits. Under this method the value of present assets are subtracted from the present value of all future benefit payments. The difference is spread evenly over the future service of all members as a level percent of covered earnings. The normal cost includes an adjustment for gains and losses due to actuarial experience. Benefits related to nonvested terminated participants are not valued even though benefits might be reinstated if any such participants are rehired.