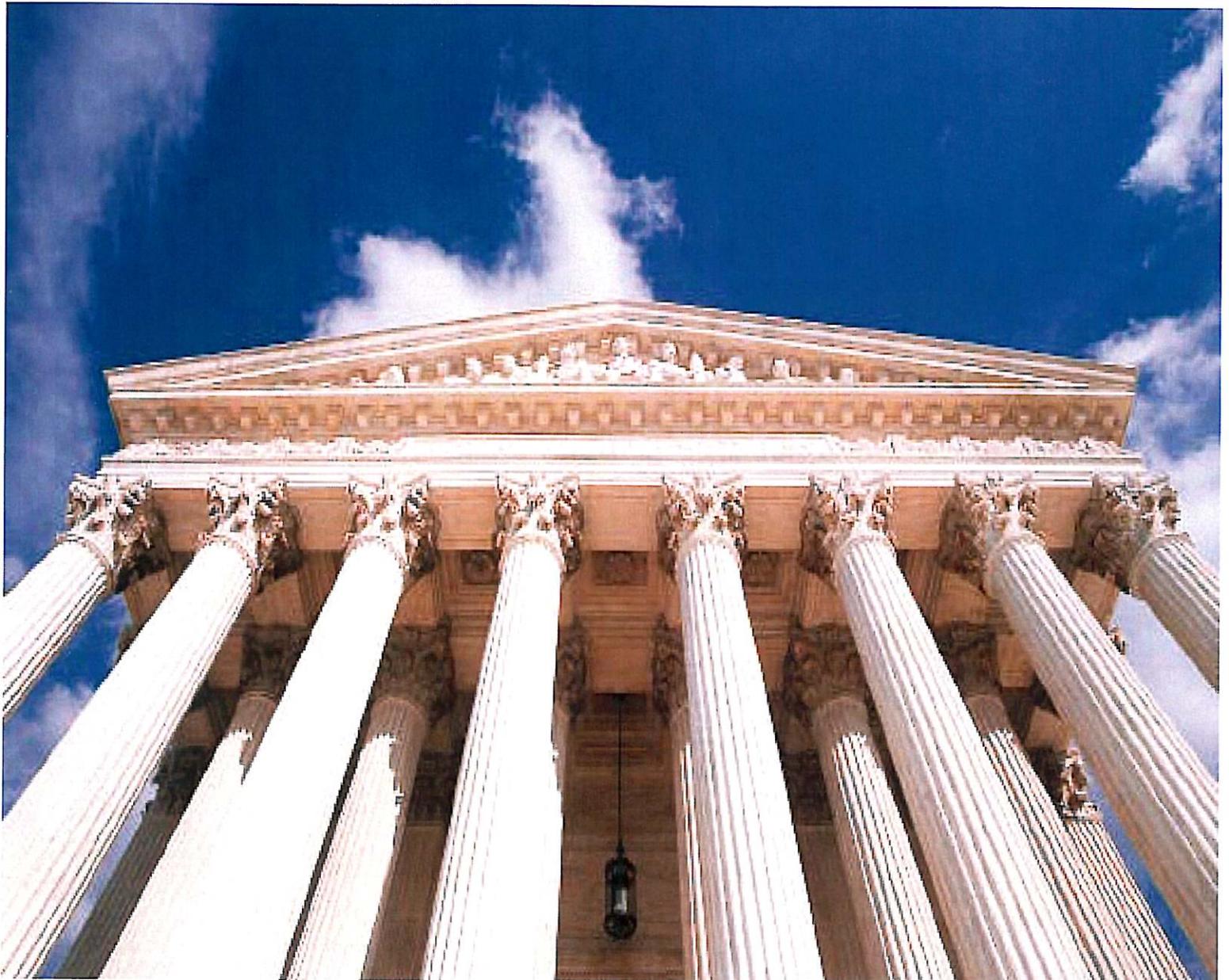


# Beaver Valley Geriatric Center Administrative Employees Retirement System

Actuarial Report January 1, 2010

HayGroup®



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for

**Beaver County Employes' Retirement Board**

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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		<u>Market Value</u>
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	\$	<u>229,473.10</u>
(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	\$	<u>0.00</u>
(e) Total Decreases	\$	498,361.45
4. Total Assets (Market Value) December 31, 2009 (1) + (2e) - (3e)	\$	<u><u>7,996,540.42</u></u>

**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)
<i>Total Assets</i>	<u>\$ 7,398,870.76</u>
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	
Active Participants	\$ 976,659.00
<i>Total Liabilities</i>	<u>\$ 7,398,870.76</u>

*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
<b>Total</b>	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
<b>Total</b>	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**

<b>Type of Plan</b>	The Plan is a defined benefit plan.
<b>Effective Date</b>	The Plan became effective January 21, 1975.
<b>Eligibility for Participation</b>	All full-time, non-union employees of the Beaver Valley Geriatric Center as of May 20, 1978 are eligible.
<b>Definitions</b>	<p><b>Plan Year:</b> A Plan Year is a 12-month period beginning on January 1 and ending on December 31.</p> <p><b>Past Service:</b> Years and portions of a year (number of days over 365) through 1971.</p> <p><b>Future Years:</b> The number of calendar years after 1971 during which a participant works 1,000 hours.</p> <p><b>Accrued Benefit:</b> 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.</p> <p><b>Compensation:</b> Total compensation, not to exceed that of the highest paid elected official.</p> <p><b>Average Monthly Earnings:</b> The total compensation of the participant in the 36 consecutive months of employment which produce the highest total, divided by 36.</p>

**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*

### **Early Retirement**

#### **Retirement Benefits**

*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.