

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	☒ single-employer plan ☐ multiple-employer plan (not multiemployer) ☐ one-participant plan
B This return/report is for:	☐ first return/report ☐ final return/report ☐ an amended return/report ☐ short plan year return/report (less than 12 months)
C Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>LIMA MEMORIAL HOSPITAL SUPPLEMENTAL RETIREMENT PLAN & TRUST</u>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">1b Three-digit plan number (PN) ►</td> <td style="width:40%; text-align: center;"><u>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ►	<u>003</u>	1c Effective date of plan <u>01/01/1999</u>	
1b Three-digit plan number (PN) ►	<u>003</u>				
1c Effective date of plan <u>01/01/1999</u>					
2a Plan sponsor's name and address (employer, if for single-employer plan) <u>LIMA MEMORIAL HOSPITAL</u> <u>1001 BELLEFONTAINE STREET</u> <u>LIMA, OH 45804</u>	2b Employer Identification Number (EIN) <u>34-4434676</u>				
	2c Plan sponsor's telephone number <u>419-226-5089</u>				
	2d Business code (see instructions) <u>622000</u>				
3a Plan administrator's name and address (if same as Plan sponsor, enter "Same") <u>LIMA MEMORIAL HOSPITAL</u> <u>1001 BELLEFONTAINE STREET</u> <u>LIMA, OH 45804</u>	3b Administrator's EIN <u>34-4434676</u>				
	3c Administrator's telephone number <u>419-226-5089</u>				
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. Sponsor's name	4b EIN				
	4c PN				
5a Total number of participants at the beginning of the plan year	5a <u>83</u>				
b Total number of participants at the end of the plan year	5b <u>78</u>				
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item).....	5c				
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes ☐ No				
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.).....	☒ Yes ☐ No				
If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.					

Part III	Financial Information																																										
7 Plan Assets and Liabilities	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th style="width:20%; text-align: center;">(a) Beginning of Year</th> <th style="width:20%; text-align: center;">(b) End of Year</th> </tr> <tr> <td>a Total plan assets</td> <td style="text-align: center;">7a <u>576229</u></td> <td style="text-align: center;"><u>553803</u></td> </tr> <tr> <td>b Total plan liabilities</td> <td style="text-align: center;">7b</td> <td></td> </tr> <tr> <td>c Net plan assets (subtract line 7b from line 7a).....</td> <td style="text-align: center;">7c <u>576229</u></td> <td style="text-align: center;"><u>553803</u></td> </tr> </table>		(a) Beginning of Year	(b) End of Year	a Total plan assets	7a <u>576229</u>	<u>553803</u>	b Total plan liabilities	7b		c Net plan assets (subtract line 7b from line 7a).....	7c <u>576229</u>	<u>553803</u>																														
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8 Income, Expenses, and Transfers for this Plan Year	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th style="width:20%; text-align: center;">(a) Amount</th> <th style="width:20%; text-align: center;">(b) Total</th> </tr> <tr> <td>a Contributions received or receivable from:</td> <td></td> <td></td> </tr> <tr> <td> (1) Employers</td> <td style="text-align: center;">8a(1) <u>43356</u></td> <td></td> </tr> <tr> <td> (2) Participants</td> <td style="text-align: center;">8a(2)</td> <td></td> </tr> <tr> <td> (3) Others (including rollovers).....</td> <td style="text-align: center;">8a(3) <u>3159</u></td> <td></td> </tr> <tr> <td>b Other income (loss).....</td> <td style="text-align: center;">8b</td> <td></td> </tr> <tr> <td>c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)</td> <td style="text-align: center;">8c</td> <td style="text-align: center;"><u>46515</u></td> </tr> <tr> <td>d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....</td> <td style="text-align: center;">8d <u>38368</u></td> <td></td> </tr> <tr> <td>e Certain deemed and/or corrective distributions (see instructions)....</td> <td style="text-align: center;">8e</td> <td></td> </tr> <tr> <td>f Administrative service providers (salaries, fees, commissions).....</td> <td style="text-align: center;">8f <u>30573</u></td> <td></td> </tr> <tr> <td>g Other expenses.....</td> <td style="text-align: center;">8g</td> <td></td> </tr> <tr> <td>h Total expenses (add lines 8d, 8e, 8f, and 8g).....</td> <td style="text-align: center;">8h</td> <td style="text-align: center;"><u>68941</u></td> </tr> <tr> <td>i Net income (loss) (subtract line 8h from line 8c).....</td> <td style="text-align: center;">8i</td> <td style="text-align: center;"><u>-22426</u></td> </tr> <tr> <td>j Transfers to (from) the plan (see instructions)</td> <td style="text-align: center;">8j</td> <td></td> </tr> </table>		(a) Amount	(b) Total	a Contributions received or receivable from:			(1) Employers	8a(1) <u>43356</u>		(2) Participants	8a(2)		(3) Others (including rollovers).....	8a(3) <u>3159</u>		b Other income (loss).....	8b		c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c	<u>46515</u>	d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d <u>38368</u>		e Certain deemed and/or corrective distributions (see instructions)....	8e		f Administrative service providers (salaries, fees, commissions).....	8f <u>30573</u>		g Other expenses.....	8g		h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h	<u>68941</u>	i Net income (loss) (subtract line 8h from line 8c).....	8i	<u>-22426</u>	j Transfers to (from) the plan (see instructions)	8j	
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Part IV Plan Characteristics**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 1D 1G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**Part V Compliance Questions**

	Yes	No	Amount
10 During the plan year:			
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c Was the plan covered by a fidelity bond?	X		2000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)		X	
f Has the plan failed to provide any benefit when due under the plan?		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

Part VI Pension Funding Compliance**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500))..... ☒ Yes ☐ No**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☒ No
(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)**a** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____**If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.**

b Enter the minimum required contribution for this plan year.....	12b	
c Enter the amount contributed by the employer to the plan for this plan year.....	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	
e Will the minimum funding amount reported on line 12d be met by the funding deadline?.....	☐ Yes ☐ No ☐ N/A	

Part VII Plan Terminations and Transfers of Assets**13a** Has a resolution to terminate the plan been adopted during the plan year or any prior year? ☐ Yes ☒ NoIf "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** **b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No**c** If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2011	ERIC D. POHJALA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2011	ERIC D. POHJALA
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>LIMA MEMORIAL HOSPITAL SUPPLEMENTAL RETIREMENT PLAN & TRUST</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>LIMA MEMORIAL HOSPITAL</u>	D Employer Identification Number (EIN) <u>34-4434676</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>575595</u>
b Actuarial value	2b <u>590682</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>28</u> <u>337834</u>
b For terminated vested participants	3b <u>14</u> <u>114973</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>0</u>
(2) Vested benefits	3c(2) <u>232501</u>
(3) Total active	3c(3) <u>41</u> <u>232501</u>
d Total	3d <u>83</u> <u>685308</u>
4 If the plan is at-risk, check the box and complete items (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.53</u> %
6 Target normal cost	6 <u>29892</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>09/20/2011</u>
Signature of actuary	Date
<u>NEVILLE A. ARJANI, F.S.A.</u>	<u>11-02781</u>
Type or print name of actuary	Most recent enrollment number
<u>FINDLEY DAVIES, INC.</u>	<u>216-875-1900</u>
Firm name	Telephone number (including area code)
<u>1300 EAST NINTH STREET, SUITE 850</u> <u>CLEVELAND, OH 44114-1516</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	21745	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	21745	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>0.87</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		34
b	Interest on (a) using prior year's effective rate of <u>6.07</u> %		2
c	Total available at beginning of current plan year to add to prefunding balance		36
d	Portion of (c) to be added to prefunding balance.....		34
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	34

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	86.18 %
15	Adjusted funding target attainment percentage.....	15	86.18 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	100.49 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls				
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2010	9161				
07/15/2010	9161				
10/15/2010	9161				
01/14/2011	9161				
09/09/2011	6712				
			Totals ►	43356	18(c)
			18(b)		0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:			
a	Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	41200
20 Quarterly contributions and liquidity shortfalls:			
a	Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b	If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c	If 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	29892
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	67248	11317
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	34	41209
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	34	0
36 Additional cash requirement (item 34 minus item 35).....	36	41175
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	41200
38 Interest-adjusted excess contributions for current year (see instructions).....	38	25
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Lima Memorial Hospital Supplemental Retirement Plan and Trust	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Lima Memorial Hospital	D Employer Identification Number (EIN) 34-4434676	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500		

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value.....	2a		575,595
b Actuarial value.....	2b		590,682
3 Funding target/participant count breakdown	(1) Number of participants		(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	28	337,834
b For terminated vested participants	3b	14	114,973
c For active participants:			
(1) Non-vested benefits.....	3c(1)		0
(2) Vested benefits.....	3c(2)		232,501
(3) Total active	3c(3)	41	232,501
d Total.....	3d	83	685,308
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	6.53 %	
6 Target normal cost.....	6	29,892	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
	Signature of actuary	Date
	Neville A. Arjani, F.S.A.	11-02781
	Type or print name of actuary	Most recent enrollment number
	Findley Davies, Inc.	(216) 875-1900
	Firm name	Telephone number (including area code)
	1300 East Ninth Street, Suite 850	
	Cleveland OH 44114-1516	
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	21,745	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	21,745	0
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of <u>0.87%</u>		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		34
b Interest on (a) using prior year's effective rate of <u>6.07%</u>		0
c Total available at beginning of current plan year to add to prefunding balance		34
d Portion of (c) to be added to prefunding balance		34
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	34

Part III Funding percentages

14 Funding target attainment percentage	14	86.18 %
15 Adjusted funding target attainment percentage	15	86.18 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	100.49 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2010	9,161				
07/15/2010	9,161				
10/15/2010	9,161				
01/14/2011	9,161				
09/09/2011	6,712				
			Totals ►	18(b)	43,356
				18(c)	0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	41,200

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost**21** Discount rate:**a** Segment rates:1st segment:
5.03 %2nd segment:
6.73 %3rd segment:
6.82 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

4

22 Weighted average retirement age**22**

65

23 Mortality table(s) (see instructions) ☒ Prescribed - combined☐ Prescribed - separate☐ Substitute**Part VI Miscellaneous items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment. **27****Part VII Reconciliation of unpaid minimum required contributions for prior years****28** Unpaid minimum required contribution for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) **29** 0**30** Remaining amount of unpaid minimum required contributions (item 28 minus item 29) **30** 0**Part VIII Minimum required contribution for current year****31** Target normal cost, adjusted, if applicable (see instructions) **31** 29,892**32** Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

67,248

11,317

b Waiver amortization installment

0

0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33****34** Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)**34**

41,209

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	34	0	34

36 Additional cash requirement (item 34 minus item 35) **36** 41,175**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (item 19c) **37** 41,200**38** Interest-adjusted excess contributions for current year (see instructions) **38** 25**39** Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) **39** 0**40** Unpaid minimum required contribution for all years **40** 0

Schedule SB, Line 22 – Description of Weighted Average Retirement Age
Lima Memorial Hospital Supplemental Retirement Plan and Trust
January 1, 2010 Valuation
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Rates of Retirement

100% at age 65.

Weighted Average Retirement Age is 65. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

APPENDIX B

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rates

Funding: 24-month segment rates averaged through the end of September 2009:

a. First Rate, Years 1-5	5.03%
b. Second Rate, Years 5-20	6.73%
c. Third Rate, Years 20+	6.82%
d. Effective Interest Rate using the above rates	6.53%
e. Interest rate for developing expected value of assets, (limited by statute)	4.00%

Salary Scale

Future salaries are projected using the appropriate salary scale below. For accrued benefits actual individual pay histories have been used with missing years filled in using the appropriate salary scale below.

Funding: 3.00%

Mortality

RP-2000 static, non-generational Mortality Table as described in Regulation 1.430(h)(3) projected by Scale AA, to between 7 and 15 years beyond the year of the obligation, male and female, with combined rates for annuitants and nonannuitants.

Rates of Retirement

100% at age 65.

Weighted Average Retirement Age is 65. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Rates of Disability

None.

Rates of Turnover

None.

Assumptions Made In Valuing Spouse's Benefit

Eighty percent of the male and fifty percent of the female employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.

APPENDIX B (Continued)

<i>Optional Form Election</i>	All employees are assumed to elect the life annuity benefit.
<i>Annual Increases to Maximum Benefits and Plan Compensation Limits</i>	Funding: 0.00%
<i>Provision for Expenses</i>	The expected administrative (i.e. non-investment) expenses that will be paid from plan assets, which were assumed to equal actual expenses during the prior year, were included in the Target Normal Cost for minimum contribution purposes.
<i>Asset Method</i>	Funding: Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date plus an adjustment to defer full recognition of investment losses and gains over a two-year period. The investment (gain)/loss for every year equals the market value at the beginning of the year projected to the end of the year using the interest rate above, but no greater than the third segment rate for the plan year, minus the end of the year actual market value. The actuarial value of assets will be no less than 90% and no more than 110% of the market value (including interest-adjusted accrued but unpaid contributions). Note that due to the regulatory constraint on the interest rate, a characteristic of this asset valuation method is that, over time, it may be more likely to produce an actuarial value of assets that is less than the market value of assets.
<i>Employees Valued</i>	Only participants as of the valuation date were valued.

APPENDIX A

SUMMARY OF PRINCIPAL PLAN PROVISIONS

<i>Plan Sponsor</i>	Lima Memorial Hospital
<i>EIN/PN</i>	34-4434676/003
<i>Effective Date</i>	January 1, 1999; amended through the Fifth amendment.
<i>Plan Year</i>	The 12-month period beginning each January 1.
<i>Participation</i>	Any non-highly compensated permanent employee on January 1, 1998 who was at least age 21 and who was still employed participated in the qualified plan starting on January 1, 1999.
<i>Compensation</i>	Total wages, salary, commissions and overtime pay including amounts deferred under sections 125, 402(a)(8), 402(h), or 403(b), and other incentive pay, as limited by IRC Section 401(a)(17).
<i>Average Monthly Compensation</i>	1/60th of Compensation for the highest 5 years of the last ten years of employment ending on December 31, 1997. Compensation for the year ended December 31, 1997 will be the greater of Compensation for the year ended December 31, 1996 or Compensation for the year ended December 31, 1997.
<i>Integration Level</i>	The average as of December 31, 1997 of the Social Security Maximum Taxable Wage Bases for the 35-year period ending with the year in which Social Security Retirement Age is attained. Social Security Retirement Age is 65 for employees born before 1938, 67 for those born after 1954, and 66 for those born in between.
<i>Short Service Percentage</i>	The number of whole months a participant will have been an employee of the employer if he remains an employee until the later of his Normal Retirement Age or the earlier of the date he ceased to be an employee or such date of determination divided by 300.
<i>Vesting and Accrual Service</i>	Total of an employee's period of service expressed as whole years and fractional parts of a year (to two decimal places) on the basis that 365 days equal one year.

APPENDIX A (Continued)

Accrued Benefit

A monthly life annuity starting at age 65 equal to the participant's Normal Retirement Benefit with the benefit prior to the offsets reduced by multiplying the amount obtained after application of the Short Service Percentage on compensation in excess of the integration level by a fraction (not exceeding 1), the numerator of which is the actual Accrual Service of such participant and the denominator of which is the Accrual Service if the participant did not terminate until Normal Retirement. Only participants who were at least 50 years old on January 1, 1998 accrue benefits under this plan.

Normal Retirement Benefit

Eligibility:

Age 65.

Monthly Benefit:

The amount, if any, of the sum of (a) and (b) reduced by the sum of (c) and (d):

- (a) 22% of Average Monthly Compensation, plus
- (b) 16.25% of Average Monthly Compensation in excess of Integration Level times the Short Service Percentage;
- (c) Annuitized value of employer contributions account held in the 401(k) Plan. This account is calculated by accumulating employer contributions at 8% and converting to a monthly annuity using the 1983 Group Annuity Table (50% male, 50% female) and 8% interest.
- (d) Monthly accrued benefit from the terminated Pension Plan.

Early Retirement Benefit

Eligibility:

Age 55 and 15 years of Vesting Service or age 60 and 10 years of Vesting Service.

Monthly Benefit:

The Accrued Benefit at early retirement reduced for each year and partial year by which Early Retirement precedes Normal Retirement as follows:

APPENDIX A (Continued)

Early Retirement Benefit (Continued)

<u>Years Early</u>	<u>Factor</u>
1	.9231
2	.8462
3	.7692
4	.7308
5	.6923
6	.6538
7	.6154
8	.5769
9	.5292
10	.4862

The above factors are prorated for fractional years.

Disability Retirement Benefit

Eligibility:

10 years of Vesting Service and receiving Social Security disability benefits.

Monthly Benefit:

The Accrued Benefit.

Termination Benefit

Eligibility:

100% vesting upon termination of employment prior to retirement but after completion of at least five years of Vesting Service.

Monthly Benefit:

The vested benefit commences in full at age 65, or in a reduced amount under the early retirement provisions, provided at least 10 years of Vesting Service have been completed. The reduction factors are the same as those shown above for early retirement.

Death Benefit

Eligibility:

100% vested and married for at least one year.

Monthly Benefit:

50% of the benefit calculated assuming the participant survived to the earliest retirement date, retired with the Joint and 50% Survivor Annuity form and died the next day.

APPENDIX A (Continued)

Lump Sums

The plan pays only small benefit amounts (lump sums less than \$5,000).
The conversion factors used to calculate lump sum are based on the applicable mortality and applicable interest rates per IRC §417(e).

Optional Forms

The plan offers the following optional forms, all of which are actuarially equivalent:

Life Annuity – monthly payments for the life of the participant.

Joint and 50%, 66 2/3% or 100% Annuity – monthly payments for the life of the participant with the chosen percentage of such amount continuing to the beneficiary.

5-Year, 10-Year or 15-Year Certain and Continuous – monthly payments for the life of the participant with a minimum of 60, 120 or 180 payments made.

The conversion factors are based on the 1983 Group Annuity Mortality Table 50% male and 50% female together with 8.5% interest.

Maximum Benefit Limit

The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Age

Plan Compensation Limit

The Section 401(a)(17) Maximum Compensation that can be recognized for benefit calculation purposes.

Changes in Plan Provisions

The automatic changes, if any, in the plan compensation limit and maximum benefit limit were recognized.

Schedule SB, Line 26 - Schedule of Active Participant Data

January 1, 2010 Valuation
Lima Memorial Hospital Supplemental Retirement Plan and Trust
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Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	-	-	-	-	-	-	-	-	-	-
25 to 29	-	-	-	-	-	-	-	-	-	-
30 to 34	-	-	-	-	-	-	-	-	-	-
35 to 39	-	-	-	-	-	-	-	-	-	-
40 to 44	-	-	-	-	-	-	-	-	-	-
45 to 49	-	-	-	-	-	-	-	-	-	-
50 to 54	-	-	-	-	-	-	-	-	-	-
55 to 59	-	-	-	-	-	-	-	-	-	-
60 to 64	-	-	-	-	2 (*)	7 (*)	3 (*)	3 (*)	4 (*)	3 (*)
65 to 69	-	-	-	-	3 (*)	4 (*)	1 (*)	1 (*)	4 (*)	2 (*)
70 & up	-	-	-	-	1 (*)	-	1 (*)	-	-	2 (*)

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

Schedule SB, Line 32 – Schedule of Amortization Bases
Lima Memorial Hospital Supplemental Retirement Plan and Trust
January 1, 2010 Valuation
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EXHIBIT VII
SCHEDULE OF AMORTIZATION BASES

Plan Year Beginning

1/01/2010

	Date Established	Present Value of Payments	Remaining Years	Amortization Installment
<i>Shortfall Amortization Bases</i>	1/01/2010	<u>\$ 67,248</u>	7.00	<u>\$ 11,317</u>
	Total	\$ 67,248		\$ 11,317
<i>Waiver Amortization Bases</i>	1/01/2010	\$ 0		\$ 0