

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2012 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>07/01/2012</u> and ending <u>06/30/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☒ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1963</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>07/01/1963</u>	
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1c Effective date of plan <u>07/01/1963</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>UPMC ALTOONA</u> <u>620 HOWARD AVENUE</u> <u>ALTOONA, PA 16601-4899</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>23-1352155</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>814-889-3629</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>622000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>23-1352155</u>	2c Sponsor's telephone number <u>814-889-3629</u>	2d Business code (see instructions) <u>622000</u>	
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2d Business code (see instructions) <u>622000</u>					

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 accompanying schedules, statements and attachments, 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.	04/15/2014	BETSY KREUZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/15/2014	BETSY KREUZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>																											
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: a Sponsor's name ALTOONA REGIONAL HEALTH SYSTEM		4b EIN 23-1352155 4c PN 002																											
5 Total number of participants at the beginning of the plan year		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">5</td> <td style="text-align: right;">1488</td> </tr> </table>	5	1488																									
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="background-color: #cccccc; height: 20px;"></td> </tr> <tr> <td style="width: 10%; text-align: center;">6a</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;">6b</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;">6c</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;">6d</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;">6e</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;">6f</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;">6g</td> <td></td> </tr> <tr> <td style="text-align: center;">6h</td> <td style="text-align: right;">8</td> </tr> </table>			6a	0	6b	0	6c	0	6d	0	6e	0	6f	0	6g		6h	8									
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7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; text-align: center;">7</td> <td></td> </tr> </table>	7																										
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1G																													
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:																													
9a Plan funding arrangement (check all that apply) <table style="width: 100%;"> <tr> <td style="width: 5%;">(1)</td> <td style="width: 5%;">☐</td> <td>Insurance</td> </tr> <tr> <td>(2)</td> <td>☐</td> <td>Code section 412(e)(3) insurance contracts</td> </tr> <tr> <td>(3)</td> <td>☒</td> <td>Trust</td> </tr> <tr> <td>(4)</td> <td>☐</td> <td>General assets of the sponsor</td> </tr> </table>	(1)	☐	Insurance	(2)	☐	Code section 412(e)(3) insurance contracts	(3)	☒	Trust	(4)	☐	General assets of the sponsor	9b Plan benefit arrangement (check all that apply) <table style="width: 100%;"> <tr> <td style="width: 5%;">(1)</td> <td style="width: 5%;">☐</td> <td>Insurance</td> </tr> <tr> <td>(2)</td> <td>☐</td> <td>Code section 412(e)(3) insurance contracts</td> </tr> <tr> <td>(3)</td> <td>☒</td> <td>Trust</td> </tr> <tr> <td>(4)</td> <td>☐</td> <td>General assets of the sponsor</td> </tr> </table>		(1)	☐	Insurance	(2)	☐	Code section 412(e)(3) insurance contracts	(3)	☒	Trust	(4)	☐	General assets of the sponsor			
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)																													
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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 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 07/01/2012 and ending 06/30/2013

▶ **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>RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>UPMC ALTOONA</u>	D Employer Identification Number (EIN) <u>23-1352155</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>07</u> Day <u>01</u> Year <u>2012</u>
2	Assets:
a	Market value 2a <u>38350072</u>
b	Actuarial value 2b <u>38436593</u>
3	Funding target/participant count breakdown:
a	For retired participants and beneficiaries receiving payment..... 3a <u>338</u> <u>24015249</u>
b	For terminated vested participants..... 3b <u>302</u> <u>5236888</u>
c	For active participants:
(1)	Non-vested benefits..... 3c(1) <u>13443</u>
(2)	Vested benefits..... 3c(2) <u>13692260</u>
(3)	Total active 3c(3) <u>1339</u> <u>13705703</u>
d	Total 3d <u>1979</u> <u>42957840</u>
4	If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>7.13 %</u>
6	Target normal cost..... 6 <u>4243663</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>04/01/2014</u>
Signature of actuary	Date
<u>JON S. KETZNER, FCA, MAAA</u>	<u>14-01826</u>
Type or print name of actuary	Most recent enrollment number
<u>CBIZ</u>	<u>301-777-1500</u>
Firm name	Telephone number (including area code)
<u>44 BALTIMORE STREET</u> <u>CUMBERLAND, MD 21502</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) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	85435
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	85435
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>1.19</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		140399
	b Interest on (a) using prior year's effective interest rate of <u>5.98</u> % except as otherwise provided (see instructions)		4304
	c Total available at beginning of current plan year to add to prefunding balance		144703
	d Portion of (c) to be added to prefunding balance		144703
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	144703

Part III Funding Percentages			
14	Funding target attainment percentage	14	89.13 %
15	Adjusted funding target attainment percentage	15	89.13 %
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	87.51 %
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
11/15/2013	5403324				
01/10/2014	99130				
			Totals ►	18(b)	5502454
				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 contributions 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	4879884
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No		
c If line 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
0	0	0
		(4) 4th
		0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 5.54%	2nd segment: 6.85%	3rd segment: 7.52 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 67
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	4243663	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	4665950	780924	
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 (lines 31a - 31b + 32a + 32b - 33)...	34	5024587	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	144703	144703
36 Additional cash requirement (line 34 minus line 35)	36	4879884	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	4879884	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☒ 2 plus 7 years	☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☒ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning **07/01/2012** and ending **06/30/2013**

A Name of plan RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 UPMC ALTOONA	D Employer Identification Number (EIN) 23-1352155

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CBIZ BENEFITS & INSURANCE SERVICES

52-0807416

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 16 17	NONE	211156	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

M&T TRUST COMPANY

16-0538020

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
24 15 27	TRUSTEE	48408	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

CS MCKEE

52-0807416

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28	NONE	14254	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ING INV MGMT

06-0888148

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	14240	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BARROW HANLEY

75-2403190

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	11646	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

JP MORGAN INVESTMENT MANAGEMENT INC

31-1192865

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	9827	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

SPRUCEGROVE INVESTMENT MANAGEMENT L

181 UNIVERSITY AVE., SUITE 1300
TORONTO, ONTARIO M5H 3M7 CA

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	9459	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CONESTOGA MANAGEMENT

23-3072906

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	9349	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

STERLING CAPITAL MANAGEMENT LLC

42-1658828

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	7138	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (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>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning 07/01/2012 and ending 06/30/2013		
A Name of plan RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 UPMC ALTOONA		D Employer Identification Number (EIN) 23-1352155

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	4500000	0
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	73732	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2608728	0
(2) U.S. Government securities.....	1c(2)	2873690	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	4018202	0
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	7759296	0
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	16710329	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	38543977	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	16398	0
i Acquisition indebtedness	1i		
j Other liabilities	1j	39961	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	56359	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	38487618	0
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	5502454	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		5502454
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	185	
(B) U.S. Government securities	2b(1)(B)	84980	
(C) Corporate debt instruments	2b(1)(C)	85137	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		170302
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	149185	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	399912	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		549097
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	21295337	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	20909065	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		386272
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	949204	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		949204

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1651503
c Other income.....	2c		554
d Total income. Add all income amounts in column (b) and enter total.....	2d		9209386

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2825443	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		2825443
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	259564	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	75913	
(4) Other	2i(4)	185248	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		520725
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		3346168

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		5863218
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		44350836

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **BKD,LLP**

(2) EIN: **44-0160260**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

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? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		2000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b 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.)

5b(1) Name of plan(s)

RETIREMENT PLAN FOR NON-BARGAINING UNIT EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM

5b(2) EIN(s)	5b(3) PN(s)
23-1352155	001

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2012</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2012 or fiscal plan year beginning 07/01/2012 and ending 06/30/2013		
A Name of plan RETIREMENT PLAN FOR BARGAINING UNIT EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 UPMC ALTOONA		D Employer Identification Number (EIN) 23-1352155
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 16-6265706		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3 4
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 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 ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2012 v. 120126		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 50% Investment-Grade Debt: 41% High-Yield Debt: _____% Real Estate: _____% Other: 9%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

EIN 23-1352155 PN 002

Independent Auditor's Report and Financial Statements

June 30, 2013 and 2012



Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

June 30, 2013 and 2012

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Independent Auditors' Report

Plan Administrator
Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System
Altoona, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System, which comprise the statements of net assets available for benefits as of June 30, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting our audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in *Note 3*, which was certified by Manufacturers and Traders Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of and for the years ended June 30, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Supplementary Information

The supplemental schedules listed in the table of contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*.

BKD, LLP

Springfield, Missouri
April 15, 2014

Federal Employer Identification Number: 44-0160260

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Statements of Net Assets Available for Benefits

June 30, 2013 and 2012

Assets

Investments, At Fair Value

	2013	2012
U.S. Treasury obligations	\$ 1,098,536	\$ 1,600,538
U.S. government agencies	1,724,873	1,273,152
Corporate and foreign bonds	2,497,170	4,018,202
Closed-end, fixed-income securities	2,335,240	2,316,395
Common and preferred equity securities	9,025,464	7,759,296
Mutual funds	20,777,293	14,393,934
Cash and cash equivalents	1,339,986	2,638,127
	<u>38,798,562</u>	<u>33,999,644</u>

Receivables

Employer's contribution	5,502,454	4,500,000
Due from broker	5,448	-
Accrued income receivable	44,372	73,732
	<u>5,552,274</u>	<u>4,573,732</u>

Total assets

<u>44,350,836</u>	<u>38,573,376</u>
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Liabilities

Accrued expenses	-	16,398
Due to brokers	-	69,360
	<u>-</u>	<u>85,758</u>

Total liabilities

Net Assets Available for Benefits, At Fair Value

<u>\$ 44,350,836</u>	<u>\$ 38,487,618</u>
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Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Statements of Changes in Net Assets Available for Benefits Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Investment Income		
Net appreciation (depreciation) in fair value of investments	\$ 2,987,533	\$ (392,938)
Interest and dividend income	<u>719,399</u>	<u>776,871</u>
Net investment income	3,706,932	383,933
Employer Contributions	<u>5,502,454</u>	<u>5,250,000</u>
Total additions	<u>9,209,386</u>	<u>5,633,933</u>
Deductions		
Benefits paid directly to participants	2,825,443	2,181,962
Administrative expenses	<u>520,725</u>	<u>322,777</u>
Total deductions	<u>3,346,168</u>	<u>2,504,739</u>
Net Increase	5,863,218	3,129,194
Net Assets Available for Benefits, Beginning of Year	<u>38,487,618</u>	<u>35,358,424</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 44,350,836</u></u>	<u><u>\$ 38,487,618</u></u>

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Note 1: Description of the Plan

The following description of the Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System (Plan) provides only general information. Additional information about the vesting and benefit provisions and the Pension Benefit Guarantee Corporation's (PBGC) benefit guarantee is contained in the plan document and *Summary Plan Description*, which are available from the plan administrator.

General

The Plan is a noncontributory defined benefit plan that covers substantially all union employees of Altoona Regional Health System (the "Hospital") and provides for retirement, death and disability benefits. Employee eligibility is limited to participants with 12 months of service and 1,000 hours. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Manufacturers and Traders Trust Company is the trustee of the Plan.

On February 21, 2008, the Board of Directors unanimously approved a recommendation to migrate from this defined benefit retirement plan to a defined benefit contribution retirement plan, effective June 30, 2008. Retirement eligibility under the Plan was frozen and there are no new entrants after June 30, 2008 (soft freeze). No current employees will lose any benefits. Participants were able to make an irrevocable election to have their benefit frozen as of June 30, 2009, and receive an enhanced employer contribution by participating in the Altoona Regional Health System 403(b) Plan.

Plan Merger

On June 20, 2013, the Hospital resolved to merge this plan into the Retirement Plan for Non-Bargaining Unit Employees of the Altoona Regional Health System effective July 1, 2013. The merger does not affect participant pension benefits because the benefit provisions of the merged plans are incorporated in the successor plan. For reporting on the Form 5500, the Hospital has elected to show this transfer as a payable to the successor plan as of June 30, 2013 (see Note 7).

The transfer to the Retirement Plan for Non-Bargaining Unit Employees of the Altoona Regional Health System included the following:

	<u>Transfers</u>
Cash and investments	\$ 38,848,382
Employer's contribution receivable	<u>5,502,454</u>
	<u>\$ 44,350,836</u>

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Contributions

The Hospital has agreed to voluntarily contribute such additional amounts that are necessary to provide assets sufficient to meet the benefits to be paid to plan members. The Hospital's present intention is to make contributions in amounts sufficient to annually fund the Plan's current service cost and the initial past-service costs plus interest on them over a period of 30 years. The Plan has met the minimum funding requirements established by the federal government.

Pension Benefits

Benefits under the Plan are based on 1.5% of the employees' average monthly compensation (average monthly compensation is calculated by taking the average compensation earned in the 60 consecutive months that produce the highest average) multiplied by the employee's total number of years of service. Normal retirement age for plan benefits is 65. Participants may elect to receive reduced benefits upon early retirement at age 55. Monthly pension benefit payments are determined for each participant according to the retirement option selected. When a married participant retires, the normal benefit under the Plan is a qualified joint and 50% survivor annuity with the participant's spouse. For an unmarried participant, the normal retirement benefit is a single life annuity and is guaranteed for 60 months. A participant may elect to receive benefits in a form other than noted above, with a spouse's written permission, as applicable.

Death Benefits

The spouse of a participant will receive a 50% survivor annuity, as defined in the Plan, upon the death of the participant. The surviving spouse annuity is equal to 50% of the participant's monthly benefit. This benefit is immediately payable to the spouse if the participant was already receiving benefits. If the participant was not already receiving benefits, payments to the spouse may commence as of the earliest date the participant would have received benefits.

Vesting

The pension benefits for the Plan are fully vested after five years. However, a participant is always fully vested upon reaching the normal retirement age.

Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

- (a) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
- (b) Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) up to the applicable limitations discussed below.
- (c) Vested benefits not insured by the PBGC.
- (d) All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Valuation of Investments and Income Recognition

Marketable securities are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year; investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and ask prices.

For certain investments consisting of corporate bonds and notes that do not have an established fair value, the plan administrator has established a fair value based on yields currently available on comparable securities of issuers with similar credit ratings.

Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year end.

Cash equivalents include investments with original maturities of three months or less. The carrying value reported in the statement of net assets available for benefits approximates fair value.

Purchases and sale of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses may be paid by the Hospital or the Plan, at the Hospital's discretion.

Accumulated Plan Benefits

Accumulated plan benefits (see *Note 4*) are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to:

- (a) Retired or terminated employees or their beneficiaries
- (b) Present employees or their beneficiaries

Benefits under the Plan are based on employees' compensation during their last five years of credited service. The accumulated plan benefits for active employees are based on their average compensation during the five years preceding the valuation date. Benefits payable under all circumstances — retirement, death, disability and termination of employment — are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Plan Tax Status

The Plan obtained its latest determination letter on January 25, 2012, in which the Internal Revenue Service stated that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code and therefore not subject to tax. The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

With a few exceptions, the Plan is no longer subject to federal, state and local income tax examinations by tax authorities for years before 2010.

Note 3: Investments

The Plan's investments are held by a bank-administered trust fund. The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

	2013	
	Net Appreciation (Depreciation) in Fair Value During Year	Fair Value at End of Year
U.S. Treasury obligations	\$ (66,140)	\$ 1,098,536
U.S. government agencies	(87,465)	1,724,873
Corporate and foreign bonds	(76,445)	2,497,170
Closed-end, fixed-income securities	19,445	2,335,240
Common and preferred equity securities	1,566,080	9,025,464
Mutual funds	1,632,058	20,777,293
Cash and cash equivalents	-	1,339,986
	\$ 2,987,533	\$ 38,798,562

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

	2012	
	Net Appreciation (Depreciation) in Fair Value During Year	Fair Value at End of Year
U.S. Treasury obligations	\$ (25,841)	\$ 1,600,538
U.S. government agencies	(4,644)	1,273,152
Corporate and foreign bonds	12,038	4,018,202
Closed-end, fixed-income securities	194,364	2,316,395
Common and preferred equity securities	(68,561)	7,759,296
Mutual funds	(500,294)	14,393,934
Cash and cash equivalents	-	2,638,127
	\$ (392,938)	\$ 33,999,644

The fair value of individual investments that represented 5% or more of the Plan's net assets available for benefits were as follows:

	2013	2012
JPMCB Core Bond Fund	\$ 2,335,240	\$ 2,316,395
Vanguard Short-Term Inv Grd CL Adml	2,515,220	1,510,846 *
Vanguard Institutional Index CL I	7,129,033	5,748,809
Wilmington US Treasury Money Market CL SLCT	1,301,979 *	2,608,728

*Investment represents less than 5% of net assets at respective year end

Interest and dividends realized on the Plan's investments for the years ended 2013 and 2012 were \$719,399 and \$776,871, respectively.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Note 4: Accumulated Plan Benefits

An actuary from CBIZ Benefits & Insurance Services, Inc. determines the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The accumulated plan benefit information for each plan year prepared as of the beginning of the plan year was as follows:

	<u>2013</u>	<u>2012</u>
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants currently receiving payments	\$ 17,242,556	\$ 13,891,396
Other participants	<u>20,917,739</u>	<u>19,350,161</u>
	38,160,295	33,241,557
Nonvested benefits	<u>75,086</u>	<u>72,682</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 38,235,381</u>	<u>\$ 33,314,239</u>

Changes in the actuarial present value of accumulated plan benefits were as follows:

	<u>2013</u>	<u>2012</u>
Actuarial present value of accumulated plan benefits, beginning of year	<u>\$ 33,314,239</u>	<u>\$ 30,223,686</u>
Increase (decrease) during the year attributable to		
Interest due to decrease in discount period	2,416,744	2,201,032
Benefits accumulated	4,686,360	2,642,727
Benefits paid	<u>(2,181,962)</u>	<u>(1,753,206)</u>
Net increase	<u>4,921,142</u>	<u>3,090,553</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 38,235,381</u>	<u>\$ 33,314,239</u>

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Significant assumptions underlying the actuarial computations are:

- Assumed rate of return on investments of 7.50%
- Mortality basis: Static Mortality Tables
- Retirement: Age 68 years of age

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The Hospital has elected to change the disclosure to the beginning of the year due to the merger of the Plan (see *Note 1*).

Note 5: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

The Plan invests in certain funds of a company affiliated with the plan trustee. Direct fees for custody-related services paid by the Plan to this trustee were \$48,779 and \$56,872 for the years ended June 30, 2013 and 2012, respectively.

The Hospital provides certain administrative services at no cost to the Plan, including audit and legal fees.

Note 6: Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities.
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2013 and 2012:

	Fair Value	2013 Fair Value Measurements Using		
		Level 1	Level 2	Level 3
U.S. Treasury obligations	\$ 1,098,536	\$ 1,098,536	\$ -	\$ -
U.S. government agencies	1,724,873	-	1,724,873	-
Corporate and foreign bonds	2,497,170	-	2,497,170	-
Closed-end, fixed-income securities	2,335,240	2,335,240	-	-
Common and preferred equity securities				
Consumer	1,465,078	1,465,078	-	-
Energy	858,865	858,865	-	-
Financial	1,201,197	1,201,197	-	-
Health Care	1,082,271	1,082,271	-	-
Information technology	1,660,304	1,660,304	-	-
Industrials	1,140,770	1,140,770	-	-
Preferred	934,560	934,560	-	-
Other	682,419	682,419	-	-
Mutual funds				
Taxable fixed income	6,417,818	6,417,818	-	-
Domestic	10,952,018	10,952,018	-	-
International	3,407,457	3,407,457	-	-
Cash and cash equivalents	1,339,986	-	1,339,986	-
	<u>\$ 38,798,562</u>	<u>\$ 33,236,533</u>	<u>\$ 5,562,029</u>	<u>\$ -</u>

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

	Fair Value	2012 Fair Value Measurements Using		
		Level 1	Level 2	Level 3
U.S. Treasury obligations	\$ 1,600,538	\$ 1,600,538	\$ -	\$ -
U.S. government agencies	1,273,152	-	1,273,152	-
Corporate and foreign bonds	4,018,202	-	4,018,202	-
Closed-end, fixed-income securities	2,316,395	2,316,395	-	-
Common and preferred equity securities				
Consumer	1,411,223	1,411,223	-	-
Energy	728,674	728,674	-	-
Financial	1,118,649	1,118,649	-	-
Health Care	1,119,824	1,119,824	-	-
Information technology	1,649,385	1,649,385	-	-
Industrials	959,918	959,918	-	-
Other	771,623	771,623	-	-
Mutual funds				
Taxable fixed income	4,367,046	4,367,046	-	-
Domestic	7,665,108	7,665,108	-	-
International	2,361,780	2,361,780	-	-
Cash and cash equivalents	2,638,127	-	2,638,127	-
	<u>\$ 33,999,644</u>	<u>\$ 26,070,163</u>	<u>\$ 7,929,481</u>	<u>\$ -</u>

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2013. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include U.S. Treasury obligations, equity securities and mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include corporate and foreign bonds, U.S. government agencies and cash equivalents. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan held no investments at June 30, 2013 and 2012, classified as Level 3. See *Note 2* for definitions of inputs utilized to determine fair value.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2013 and 2012

Note 7: Differences Between Financial Statements and Form 5500 Information

The following is a reconciliation of net assets available for plan benefits per the financial statements to the Form 5500:

	<u>2013</u>	<u>2012</u>
Net assets available for benefits per the financial statements	\$ 44,350,836	\$ -
Transfer of plan assets due to the merger	<u>(44,350,836)</u>	<u>-</u>
Net assets available for benefits per the Form 5500	<u>\$ -</u>	<u>\$ -</u>

For the Annual Return/Report of Employee Benefit Plan (Form 5500) filed with the Internal Revenue Service, the Hospital has elected to show the asset transfer as of June 30, 2013, which is when the Plan officially merged together.

Note 8: Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement(s) of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Note 9: Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Supplemental Schedules

**Retirement Plan for Bargaining Unit Employees of the
Altoona Regional Health System**

EIN 23-1352155 PN 002

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

June 30, 2013

Identity of Issuer (a)(b)	Description of Investment (c)	Cost (d)	Current Value (e)
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NONE

As per Form 5500 assets are reflected as transferred to merged plan

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

EIN 23-1352155 PN 002

Schedule H, Line 4j – Schedule of Reportable Transactions

Year Ended June 30, 2013

Identity	Description	Total Number of Purchases	Total Number of Sales	Purchase Price	Selling Price	Net Gain or (Loss)
Category (i) – Single Transaction in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	\$ 1	\$ -	\$ 2,300,000	\$ -	\$ -
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	1,913,563	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	3,492,070	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	2,489,672	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	2,300,000	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	2,300,000	-
Category (iii) – Series of Transactions in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	2	2	\$ 2,950,000 -	\$ - 2,000,000	\$ - 12,875
M&T Bank	U.S. Treasury Money Market Select Shares	600	406	23,718,619 -	- 25,025,361	- -

There were no (ii) or (iv) reportable transactions during the year.

Schedule SB, line 19 - Discounted Employer Contributions

EIN: 23-1352155

PN: 002

Plan Name: Retirement Plan for Bargaining Unit Ees of the Altoona Regional Health System

Deposit <u>Date</u>	Due <u>Date</u>	Days <u>Late</u>	Contribution <u>Amount</u>	Applied to <u>Plan Year</u>	Effective <u>Interest Rate</u>	Effective <u>Interest Rate</u> <u>Late Payment</u>	Interest Adjusted <u>Contribution</u>
11/15/2013	10/15/2012	396	\$982,906	2012	7.13%	12.13%	\$850,904
11/15/2013	1/15/2013	304	1,130,532	2012	7.13%	12.13%	990,022
11/15/2013	4/15/2013	214	1,130,532	2012	7.13%	12.13%	1,001,221
11/15/2013	7/15/2013	123	1,130,532	2012	7.13%	12.13%	1,012,672
11/15/2013			1,028,822	2012	7.13%		935,841
1/10/2014			99,130	2012	7.13%		89,223
TOTAL			\$5,502,454				\$4,879,884

Schedule SB, line 22 - Description of Weighted Average Retirement Age

EIN: 23-1352155

PN: 002

Plan Name: Retirement Plan for Bargaining Unit Ees of the Altoona Regional Health System

<u>Age</u>	<u>Retirement Rate</u>	<u>Retirement Probability</u>	<u>Weighted Age</u>
62	5.00%	0.05	3.10
63	5.00%	0.05	2.99
64	5.00%	0.05	2.89
65	25.00%	0.21	13.93
66	10.00%	0.06	4.24
67	10.00%	0.06	3.88
68	10.00%	0.05	3.54
69	10.00%	0.05	3.23
70	100.00%	0.42	29.53
Total		1.0000	67.34

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

EIN/PN: 23-1352155 / 002

**Retirement Plan for Bargaining Unit Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2012**

Summary of Principal Actuarial Assumptions

Funding Method: Traditional Unit Credit

Actuarial Assumptions:

Pre-retirement for Retirement and Spousal Benefits:

Investment Return - Segment rates (4 month lookback) with MAP-21 stabilization

	For IRC 404	For IRC 430 and 436
First Segment	1.93%	5.54%
Second Segment	4.95%	6.85%
Third Segment	6.07%	7.52%

Mortality: 2012 Static Mortality for non-annuitants

Turnover: T4 table

Salary Scale: 3.00% per year

Retirement Rates:	Age	Rate
	62 - 64	5%
	65	25%
	66 - 69	10%
	70 and older	100%

Post-retirement for Retirement Benefits:

Investment Return - Segment rates (4 month lookback) with MAP-21 stabilization

	For IRC 404	For IRC 430 and 436
First Segment	1.93%	5.54%
Second Segment	4.95%	6.85%
Third Segment	6.07%	7.52%

Mortality: 2012 Static Mortality for annuitants

Actuarial Value of Assets: 24 month average limited by 90%/110% corridor

Assumed Form of Payment: Five-year certain and life annuity

Marriage Rates: 85% of participants are assumed married. Males are assumed to be four years older than females.

Expenses: Expense of \$322,000 has been loaded in Target Normal Cost

Effective Rate of Interest: 7.13%

**Retirement Plan for Bargaining Unit Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2012**

Summary of Principal Plan Provisions

Effective Date: July 1, 1963

Plan Year: July 1 through June 30

Eligibility:

Minimum Age: None

Service: Twelve months with the completion of 1,000 hours of service.

Entry Date: The earlier of the first day of the plan year or the first day of the seventh month of such plan year coinciding with or next following the date eligibility requirements were met.

Excluded: Employees not covered under the appropriate collective bargaining agreements or under another retirement plan sponsored by the Health System, as well as any person employed for the first time by the Health System after June 30, 2008 or any person rehired by the Health System after June 30, 2008.

Normal Retirement Date: A participant shall be eligible for normal retirement benefits on the first day of the month coinciding with or next following his 65th birthday.

Early Retirement Date: A participant shall be eligible for early retirement benefits on the first day of the month coinciding with or next following his 55th birthday.

Accrued Benefit: A benefit commencing at normal retirement date equal to the greatest of A, B or C:

A. 1.50% of average monthly compensation times years of credited service at retirement; or

B. \$4.00 per month for each year of credited service as of June 30, 1997; or

C. the participant's accrued benefit under the prior plan as of June 30, 1987.

plus

D. Any net increase in the accrued benefit under the Bon Secours Holy Family Regional Health System Retirement Plan as of October 31, 2004, adjusted for post-merger pay increases.

**Retirement Plan for Bargaining Unit Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2012**

Summary of Principal Plan Provisions

Special Minimum Benefit:	With respect to an employee who was a participant in the prior plan on June 30, 1986, and who had attained age 55, or older, and completed ten or more years of credited service as of such date; such participant's benefit shall not be less than that calculated under the plan as in effect on June 30, 1986, based on compensation and credited service as of the date of determination or June 30, 1989; whichever is earlier.
Credited Service:	<p>A year of benefit service is credited for each plan year in which the employee completed 1,560 or more hours of service. Partial credit of 1/2 year is given for each plan year in which the employee completed between 1,000 and 1,559 hours of service.</p> <p>A year of vesting service is credited for each plan year in which the employee completed 1,000 or more hours of service. Service prior to January 1, 1966 is excluded for vesting purposes. Employees excluded for benefit purposes retain vesting credit for the excluded period if their status changes.</p> <p>Partial service credit is given for accrual purposes for any plan year in which the employee completes less than 1,000 hours of service.</p> <p>Hours worked are determined by dividing the number of days worked (to a maximum of 30 per month) by 360 and multiplying the result by 2,080.</p>
Normal Form of Benefit:	Five-year certain and life annuity or actuarially equivalent joint and 50% spouse survivor annuity.
Compensation:	Total compensation, including overtime, flex benefit elections, bonuses and commissions. Final benefits based on the average of the 60 highest consecutive months within the last 120 months preceding the date of determination.

**Retirement Plan for Bargaining Unit Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2012**

Summary of Principal Plan Provisions

Vesting:

A participant whose employment terminated prior to eligibility for a retirement benefit shall be vested in a portion of his accrued benefit in accordance with the greater of the following:

Schedule A:

Years of Vesting Service

Vested %

Less than five

0%

Five years of service

100%

Schedule B:

Age & Service

Vested %

Less than 45

0%

45 but less than 47

50%

47 but less than 49

60%

49 but less than 51

70%

51 but less than 53

80%

53 but less than 55

90%

55 or more

100%

Other Benefits:

Benefits are payable to or on behalf of vested participants who die prior to retirement, who become disabled and qualify for total disability benefits under the plan and who retire early upon meeting the plan's requirements for early retirement. Participants who continue with the Health System after reaching their normal retirement age will generally accrue additional benefits.

**Retirement Plan for Bargaining Unit Employees of
 the Altoona Regional Health System
 Actuarial Report for the Plan Year Beginning July 1, 2012**

Schedule of Active Participant Data

Years of Service

Age	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	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	2	0	6	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	4	0	33	44,483	67	50,410	1	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	2	0	20	43,373	84	45,787	16	0	1	0	0	0	0	0	0	0	0	0	0	0
35 to 39	5	0	19	0	66	45,423	40	47,369	13	0	0	0	0	0	0	0	0	0	0	0
40 to 44	5	0	19	0	69	48,118	23	43,380	22	48,730	26	50,808	1	0	0	0	0	0	0	0
45 to 49	3	0	10	0	62	44,568	11	0	20	53,945	34	46,785	29	48,170	3	0	0	0	0	0
50 to 54	3	0	10	0	74	44,173	14	0	15	0	27	51,892	15	0	43	48,741	10	0	0	0
55 to 59	3	0	7	0	92	43,444	10	0	16	0	27	49,762	14	0	35	50,514	45	51,393	3	0
60 to 64	1	0	1	0	51	43,042	7	0	8	0	16	0	8	0	14	0	13	0	20	52,279
65 to 69	2	0	0	0	6	0	2	0	1	0	4	0	0	0	0	0	2	0	1	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 23-1352155

PN: 002

Plan Name: Retirement Plan for Bargaining Unit Ees of the Altoona Regional Health System

<u>Type of Base</u>	Present Value	Valuation Date	Amortization	Amortization
	of Remaining	that Base was	Years	Installment
	<u>Installment</u>	<u>Established</u>	<u>Remaining</u>	<u>Installment</u>
Shortfall	\$907,032	7/1/2009	4	\$245,414
Shortfall	1,406,751	7/1/2010	5	312,478
Shortfall	1,666,843	7/1/2011	8	106,716
Shortfall	685,324	7/1/2012	7	116,316
TOTAL	<u>\$4,665,950</u>			<u>\$780,924</u>

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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

2012**This Form is Open to Public
Inspection**

For calendar plan year 2012 or fiscal plan year beginning 07/01/2012 and ending 06/30/2013

▶ **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 Retirement Plan for Barg. Unit EEs of Altoona Regional Health System	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF UPMC Altoona	D Employer Identification Number (EIN) 23-1352155
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>7</u> Day <u>1</u> Year <u>2012</u>		
2 Assets:		
a Market value	2a	38,350,072
b Actuarial value	2b	38,436,593
3 Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a 338	24,015,249
b For terminated vested participants	3b 302	5,236,888
c For active participants:		
(1) Non-vested benefits	3c(1)	13,443
(2) Vested benefits	3c(2)	13,692,260
(3) Total active	3c(3) 1,339	13,705,703
d Total	3d 1,979	42,957,840
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b	
5 Effective interest rate	5	7.13 %
6 Target normal cost	6	4,243,663

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

Jon S. Ketzner, FCA, MAAA

Type or print name of actuary

CBIZ

Firm name

44 Baltimore Street

Cumberland

MD 21502

Address of the firm

04/01/2014

Date

14-01826

Most recent enrollment number

(301) 777-1500

Telephone number (including area code)

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) 2012
v. 120126

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: 5.54 %	2nd segment: 6.85 %	3rd segment: 7.52 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....	21b		4
22 Weighted average retirement age	22		67
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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	4,243,663	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment.....	4,665,950		780,924
b Waiver amortization installment			
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 (lines 31a - 31b + 32a + 32b - 33) ..	34		5,024,587
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	144,703	144,703
36 Additional cash requirement (line 34 minus line 35).....	36		4,879,884
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37		4,879,884
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☒ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☒ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SB Actuary Signature

Schedule SB, line 19 - Discounted Employer Contributions

EIN: 23-1352155

PN: 002

Plan Name: Retirement Plan for Bargaining Unit Ees of the Altoona Regional Health System

Deposit <u>Date</u>	Due <u>Date</u>	Days <u>Late</u>	Contribution <u>Amount</u>	Applied to <u>Plan Year</u>	Effective <u>Interest Rate</u>	Effective Interest Rate <u>Late Payment</u>	Interest Adjusted <u>Contribution</u>
11/15/2013	10/15/2012	396	\$982,906	2012	7.13%	12.13%	\$850,904
11/15/2013	1/15/2013	304	1,130,532	2012	7.13%	12.13%	990,022
11/15/2013	4/15/2013	214	1,130,532	2012	7.13%	12.13%	1,001,221
11/15/2013	7/15/2013	123	1,130,532	2012	7.13%	12.13%	1,012,672
11/15/2013			1,028,822	2012	7.13%		935,841
1/10/2014			99,130	2012	7.13%		89,223
TOTAL			\$5,502,454				\$4,879,884

Schedule SB, line 22 - Description of Weighted Average Retirement Age

EIN: 23-1352155

PN: 002

Plan Name: Retirement Plan for Bargaining Unit Ees of the Altoona Regional Health System

<u>Age</u>	<u>Retirement Rate</u>	<u>Retirement Probability</u>	<u>Weighted Age</u>
62	5.00%	0.05	3.10
63	5.00%	0.05	2.99
64	5.00%	0.05	2.89
65	25.00%	0.21	13.93
66	10.00%	0.06	4.24
67	10.00%	0.06	3.88
68	10.00%	0.05	3.54
69	10.00%	0.05	3.23
70	100.00%	0.42	29.53
Total		1.0000	67.34

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

EIN/PN: 23-1352155 / 002

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System Actuarial Report for the Plan Year Beginning July 1, 2012

Summary of Principal Actuarial Assumptions

Funding Method: Traditional Unit Credit

Actuarial Assumptions:

Pre-retirement for Retirement and Spousal Benefits:

Investment Return - Segment rates (4 month lookback) with MAP-21 stabilization

	For IRC 404	For IRC 430 and 436
First Segment	1.93%	5.54%
Second Segment	4.95%	6.85%
Third Segment	6.07%	7.52%

Mortality: 2012 Static Mortality for non-annuitants

Turnover: T4 table

Salary Scale: 3.00% per year

Retirement Rates:	Age	Rate
	62 - 64	5%
	65	25%
	66 - 69	10%
	70 and older	100%

Post-retirement for Retirement Benefits:

Investment Return - Segment rates (4 month lookback) with MAP-21 stabilization

	For IRC 404	For IRC 430 and 436
First Segment	1.93%	5.54%
Second Segment	4.95%	6.85%
Third Segment	6.07%	7.52%

Mortality: 2012 Static Mortality for annuitants

Actuarial Value of Assets: 24 month average limited by 90%/110% corridor

Assumed Form of Payment: Five-year certain and life annuity

Marriage Rates: 85% of participants are assumed married. Males are assumed to be four years older than females.

Expenses: Expense of \$322,000 has been loaded in Target Normal Cost

Effective Rate of Interest: 7.13%

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System Actuarial Report for the Plan Year Beginning July 1, 2012

Summary of Principal Plan Provisions

Effective Date: July 1, 1963

Plan Year: July 1 through June 30

Eligibility:

Minimum Age: None

Service: Twelve months with the completion of 1,000 hours of service.

Entry Date: The earlier of the first day of the plan year or the first day of the seventh month of such plan year coinciding with or next following the date eligibility requirements were met.

Excluded: Employees not covered under the appropriate collective bargaining agreements or under another retirement plan sponsored by the Health System, as well as any person employed for the first time by the Health System after June 30, 2008 or any person rehired by the Health System after June 30, 2008.

Normal Retirement Date: A participant shall be eligible for normal retirement benefits on the first day of the month coinciding with or next following his 65th birthday.

Early Retirement Date: A participant shall be eligible for early retirement benefits on the first day of the month coinciding with or next following his 55th birthday.

Accrued Benefit: A benefit commencing at normal retirement date equal to the greatest of A, B or C:

A. 1.50% of average monthly compensation times years of credited service at retirement; or

B. \$4.00 per month for each year of credited service as of June 30, 1997; or

C. the participant's accrued benefit under the prior plan as of June 30, 1987.

plus

D. Any net increase in the accrued benefit under the Bon Secours Holy Family Regional Health System Retirement Plan as of October 31, 2004, adjusted for post-merger pay increases.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System Actuarial Report for the Plan Year Beginning July 1, 2012

Summary of Principal Plan Provisions

Special Minimum Benefit:	With respect to an employee who was a participant in the prior plan on June 30, 1986, and who had attained age 55, or older, and completed ten or more years of credited service as of such date; such participant's benefit shall not be less than that calculated under the plan as in effect on June 30, 1986, based on compensation and credited service as of the date of determination or June 30, 1989; whichever is earlier.
Credited Service:	<p>A year of benefit service is credited for each plan year in which the employee completed 1,560 or more hours of service. Partial credit of 1/2 year is given for each plan year in which the employee completed between 1,000 and 1,559 hours of service.</p> <p>A year of vesting service is credited for each plan year in which the employee completed 1,000 or more hours of service. Service prior to January 1, 1966 is excluded for vesting purposes. Employees excluded for benefit purposes retain vesting credit for the excluded period if their status changes.</p> <p>Partial service credit is given for accrual purposes for any plan year in which the employee completes less than 1,000 hours of service.</p> <p>Hours worked are determined by dividing the number of days worked (to a maximum of 30 per month) by 360 and multiplying the result by 2,080.</p>
Normal Form of Benefit:	Five-year certain and life annuity or actuarially equivalent joint and 50% spouse survivor annuity.
Compensation:	Total compensation, including overtime, flex benefit elections, bonuses and commissions. Final benefits based on the average of the 60 highest consecutive months within the last 120 months preceding the date of determination.

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System Actuarial Report for the Plan Year Beginning July 1, 2012

Summary of Principal Plan Provisions

Vesting:

A participant whose employment terminated prior to eligibility for a retirement benefit shall be vested in a portion of his accrued benefit in accordance with the greater of the following:

Schedule A:

Years of Vesting Service

Vested %

Less than five

0%

Five years of service

100%

Schedule B:

Age & Service

Vested %

Less than 45

0%

45 but less than 47

50%

47 but less than 49

60%

49 but less than 51

70%

51 but less than 53

80%

53 but less than 55

90%

55 or more

100%

Other Benefits:

Benefits are payable to or on behalf of vested participants who die prior to retirement, who become disabled and qualify for total disability benefits under the plan and who retire early upon meeting the plan's requirements for early retirement. Participants who continue with the Health System after reaching their normal retirement age will generally accrue additional benefits.

Schedule SB, line 26 - Schedule of Active Participant Data

EIN/PN: 23-1352155 / 002

**Retirement Plan for Bargaining Unit Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2012**

Schedule of Active Participant Data

Age	Years of 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										
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.										
Under 25	2	0	6	0	3	0	0	0	0	0	0	0	0							
25 to 29	4	0	33	44,483	67	50,410	1	0	0	0	0	0	0							
30 to 34	2	0	20	43,373	84	45,787	16	0	1	0	0	0	0							
35 to 39	5	0	19	0	66	45,423	40	47,369	13	0	0	0	0							
40 to 44	5	0	19	0	69	48,118	23	43,380	22	48,730	26	50,808	1	0	0	0				
45 to 49	3	0	10	0	62	44,568	11	0	20	53,945	34	46,785	29	48,170	3	0	0	0		
50 to 54	3	0	10	0	74	44,173	14	0	15	0	27	51,892	15	0	43	48,741	10	0	0	0
55 to 59	3	0	7	0	92	43,444	10	0	16	0	27	49,762	14	0	35	50,514	45	51,393	3	0
60 to 64	1	0	1	0	51	43,042	7	0	8	0	16	0	8	0	14	0	13	0	20	52,279
65 to 69	2	0	0	0	6	0	2	0	1	0	4	0	0	0	0	0	2	0	1	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

SB Actuary Signature

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 23-1352155

PN: 002

Plan Name: Retirement Plan for Bargaining Unit Ees of the Altoona Regional Health System

<u>Type of Base</u>	<u>Present Value of Remaining Installment</u>	<u>Valuation Date that Base was Established</u>	<u>Amortization Years Remaining</u>	<u>Amortization Installment</u>
Shortfall	\$907,032	7/1/2009	4	\$245,414
Shortfall	1,406,751	7/1/2010	5	312,478
Shortfall	1,666,843	7/1/2011	8	106,716
Shortfall	685,324	7/1/2012	7	116,316
TOTAL	<u>\$4,665,950</u>			<u>\$780,924</u>

Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System

EIN 23-1352155 PN 002

Schedule H, Line 4j – Schedule of Reportable Transactions Year Ended June 30, 2013

Identity	Description	Total Number of Purchases	Total Number of Sales	Purchase Price	Selling Price	Net Gain or (Loss)
Category (i) – Single Transaction in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	\$ 1	\$ -	\$ 2,300,000	\$ -	\$ -
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	1,913,563	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	3,492,070	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	2,489,672	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	2,300,000	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	2,300,000	-
Category (iii) – Series of Transactions in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	2	2	\$ 2,950,000 -	\$ - 2,000,000	\$ - 12,875
M&T Bank	U.S. Treasury Money Market Select Shares	600	406	23,718,619 -	- 25,025,361	- -

There were no (ii) or (iv) reportable transactions during the year.