

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). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</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>SOUTHWEST RETIREMENT AND CASH BALANCE PLAN</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>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>08/01/1954</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>34-1455141</u></td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number <u>440-816-8028</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>622000</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>08/01/1954</u>		2b Employer Identification Number (EIN) <u>34-1455141</u>		2c Sponsor's telephone number <u>440-816-8028</u>		2d Business code (see instructions) <u>622000</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>08/01/1954</u>											
2b Employer Identification Number (EIN) <u>34-1455141</u>											
2c Sponsor's telephone number <u>440-816-8028</u>											
2d Business code (see instructions) <u>622000</u>											
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>SOUTHWEST COMMUNITY HEALTH SYSTEM</u> <u>18697 BAGLEY ROAD</u> <u>MIDDLEBURG HEIGHTS, OH 44130-3417</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.	10/14/2014	SUZANNE M SCHLOSS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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 SOUTHWEST GENERAL HEALTH CENTER 18697 BAGLEY ROAD MIDDLEBURG HEIGHTS, OH 44130		3b Administrator's EIN 34-0753531
		3c Administrator's telephone number 440-816-8028
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		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5	3253
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants	6a	2099
b Retired or separated participants receiving benefits	6b	465
c Other retired or separated participants entitled to future benefits.....	6c	785
d Subtotal. Add lines 6a , 6b , and 6c	6d	3349
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	25
f Total. Add lines 6d and 6e	6f	3374
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	47
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1C 3H		
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) (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) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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 2013 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **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>SOUTHWEST RETIREMENT AND CASH BALANCE PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SOUTHWEST COMMUNITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-1455141</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 _____ Day _____ Year _____	
2 Assets:	
a Market value	2a <u>100336948</u>
b Actuarial value	2b <u>100786907</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>447</u> <u>21088780</u>
b For terminated vested participants.....	3b <u>740</u> <u>19867258</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>330808</u>
(2) Vested benefits	3c(2) <u>62739891</u>
(3) Total active.....	3c(3) <u>2066</u> <u>63070699</u>
d Total.....	3d <u>3253</u> <u>104026737</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>6.39 %</u>
6 Target normal cost	6 <u>3863512</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>09/26/2014</u>
Signature of actuary		Date
<u>AUDREY A. CERVAS</u>		<u>14-06430</u>
Type or print name of actuary		Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>		<u>216-937-4000</u>
Firm name		Telephone number (including area code)
<u>1001 LAKESIDE AVENUE, SUITE 1900</u> <u>CLEVELAND, OH 44114</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) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	5107277
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	3792740
9 Amount remaining (line 7 minus line 8)	0	1314537
10 Interest on line 9 using prior year's actual return of <u>10.98</u> %		144336
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		6597373
b Interest on (a) using prior year's effective interest rate of <u>7.11</u> % except as otherwise provided (see instructions)		615852
c Total available at beginning of current plan year to add to prefunding balance		7213225
d Portion of (c) to be added to prefunding balance		5600000
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	7058873

Part III Funding Percentages		
14 Funding target attainment percentage	14	90.09 %
15 Adjusted funding target attainment percentage	15	90.09 %
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	97.19 %
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
03/21/2014	500000		09/11/2014	3100000	
05/08/2014	500000				
05/21/2014	500000				
06/19/2014	1500000				
07/17/2014	1500000				
08/19/2014	1500000				
			Totals ►	18(b)	9100000
				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
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c
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	(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: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 62
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	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
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	3863512
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		10298703	2112667
b Waiver amortization installment			0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...		34	5976179
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	4189716	4189716
36 Additional cash requirement (line 34 minus line 35).....	36		1786463
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37		8262057
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	6475594
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	4189716
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
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013		
A Name of plan SOUTHWEST RETIREMENT AND CASH BALANCE PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SOUTHWEST COMMUNITY HEALTH SYSTEM	D Employer Identification Number (EIN) 34-1455141	

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

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

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

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

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

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

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

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

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

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

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

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

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)

J.P. MORGAN CHASE BANK, N.A.

13-4994650

(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?
50 72	NONE	52031	Yes ☒ No ☐	Yes ☒ No ☐	1398	Yes ☐ No ☒

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

ANCORA CAPITAL & MANAGEMENT GROUP L

94-3265385

(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 51	NONE	48927	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

VAUGHAN NELSON INVESTMENT MGMT

04-3304963

(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 51	NONE	26655	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)

EAGLE ASSET MANAGEMENT, INC.

59-2385219

(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 51	NONE	13206	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			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
J.P. MORGAN CHASE BANK, N.A.	72	1398
(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.	
J.P. MORGAN INVESTMENT MANAGEMENT I 245 PARK AVENUE NEW YORK, NY 10167	REVENUE SHRAE ON MUTUAL FUNDS	
(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: ERNST & YOUNG LLP	b EIN: 34-6565596
c Position: ACCOUNTANT	
d Address: 950 MAIN AVENUE, SUITE 1800 CLEVELAND, OH 44113-7214	e Telephone: 216-861-5000

Explanation: IT WAS MUTUALLY DETERMINED BY SOUTHWEST COMMUNITY HEALTH SYSTEM AND ERNST & YOUNG, LLP THAT A DIFFERENT SERVICE PROVIDER WOULD BETTER SUIT THE NEEDS OF THIS PLAN.

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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
---	--	---

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013		
A Name of plan SOUTHWEST RETIREMENT AND CASH BALANCE PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 SOUTHWEST COMMUNITY HEALTH SYSTEM	D Employer Identification Number (EIN) 34-1455141	

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	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....		1b(1)	8000000
(2) Participant contributions		1b(2)	
(3) Other.....		1b(3)	217461
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		1c(1)	1619040
(2) U.S. Government securities		1c(2)	8259782
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred		1c(3)(A)	
(B) All other		1c(3)(B)	10822131
(4) Corporate stocks (other than employer securities):			
(A) Preferred		1c(4)(A)	
(B) Common.....		1c(4)(B)	4272929
(5) Partnership/joint venture interests		1c(5)	11389447
(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)	56076826
(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	100657616	119047544

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	17980	13375
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	17980	13375

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	100639636	119034169
---	-----------	-----------	-----------

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)	9100000	
(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)		9100000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	148	
(B) U.S. Government securities	2b(1)(B)	252005	
(C) Corporate debt instruments	2b(1)(C)	381057	
(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)		633210
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	64874	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1151111	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1215985
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	25989224	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	25042449	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		946775
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	378192	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		378192

		(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)		10612398
c Other income	2c		2958
d Total income. Add all income amounts in column (b) and enter total	2d		22889518

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4011968	
(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)		4011968
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	140821	
(4) Other	2i(4)	342196	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		483017
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4494985

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		18394533
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

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: **SS&G, INC.**

(2) EIN: **34-1945695**

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		5000000
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		16179106
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)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information 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). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>SOUTHWEST RETIREMENT AND CASH BALANCE PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SOUTHWEST COMMUNITY HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>34-1455141</u>

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	<u>0</u>
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): <u>13-3795042</u>		
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	<u>79</u>

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

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: 81% Investment-Grade Debt: 18% High-Yield Debt: _____% Real Estate: _____% Other: 1%

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): _____

**SOUTHWEST RETIREMENT
AND CASH BALANCE PLAN**

***FINANCIAL
STATEMENTS***

***FOR THE
YEARS ENDED
DECEMBER 31,
2013 AND 2012***

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements.....	5-15
SUPPLEMENTAL SCHEDULES	
Schedule of Assets (Held at End of Year)	16-24
Schedule of Reportable Transactions	25

INDEPENDENT AUDITORS' REPORT

Downtown Cleveland Office

Hanna Building
1422 Euclid Avenue
Suite 1500
Cleveland, OH 44115
216-325-1700
fax: 216-325-1701
www.SSandG.com

To the Participants and Plan Administrator
Southwest Retirement and Cash Balance Plan
Middleburg Heights, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Southwest Retirement and Cash Balance Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2013, and the related statement of changes in net assets available for benefits for the year 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 of 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 the audit 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 F, which was certified by JPMorgan Chase Bank, N.A., the trustee of the Plan, except for comparing the 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 a certification from the trustee as of and for the year ended December 31, 2013, that the information provided to the Plan Administrator by the trustee is complete and accurate.

**Providing the
services that
bring solutions**

Member of the AICPA
Registered with the PCAOB
Founding member of LEA Global

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.

Other Matter – Supplemental Schedules

The supplemental schedules of Assets (Held at End of Year) and Reportable Transactions for the Year Ended December 31, 2013 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 the supplemental schedules referred to above.

Other Matter – 2012 Financial Statements

The financial statements of the Plan as of December 31, 2012, were audited by predecessor auditors. 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 (ERISA), the Plan Administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by JPMorgan Chase Bank, NA, the trustee of the Plan. Their report, dated October 15, 2013, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL's Rules and Regulations 2013

The form and content of the information included in the 2013 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.

SS&G, Inc.

September 17, 2014

SS&G

Certified Public Accountants and Advisers

www.SSandG.com

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,	
	2013	2012
ASSETS		
Investments, at fair value		
Cash and cash equivalents	\$ 642,193	\$ 1,619,040
Fixed income securities	19,855,697	19,081,913
Common stocks	6,054,678	4,272,929
Mutual funds	67,072,725	56,076,826
Limited partnerships	16,179,106	11,389,447
	<u>109,804,399</u>	<u>92,440,155</u>
Receivables		
Contributions receivable	9,100,000	8,000,000
Interest and dividends receivable	143,145	217,461
	<u>9,243,145</u>	<u>8,217,461</u>
 TOTAL ASSETS	 119,047,544	 100,657,616
LIABILITIES		
Administrative expenses payable	<u>13,375</u>	<u>17,980</u>
 TOTAL LIABILITIES	 <u>13,375</u>	 <u>17,980</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u>\$ 119,034,169</u>	 <u>\$ 100,639,636</u>

See accompanying notes to financial statements.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	FOR THE YEARS ENDED DECEMBER 31,	
	<u>2013</u>	<u>2012</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Net appreciation in fair value of investments	\$ 11,858,883	\$ 7,367,011
Interest and dividends	<u>1,930,635</u>	<u>1,856,029</u>
	13,789,518	9,223,040
Employer contributions	<u>9,100,000</u>	<u>8,000,000</u>
	22,889,518	17,223,040
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefit paid to participants	4,011,968	4,668,389
Administrative expenses	<u>483,017</u>	<u>450,479</u>
	<u>4,494,985</u>	<u>5,118,868</u>
NET INCREASE	18,394,533	12,104,172
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of the year	<u>100,639,636</u>	<u>88,535,464</u>
End of the year	<u>\$ 119,034,169</u>	<u>\$ 100,639,636</u>

See accompanying notes to financial statements.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Description of the Plan

The following description of the Southwest Retirement and Cash Balance Plan (Plan) provides general information about the Plan's provisions. Southwest Community Health System (System) is the Plan Sponsor. Participants should refer to the plan document and summary plan description for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

General

The Plan is a cash balance defined benefit plan that covers all salaried and hourly employees of the System and its wholly-owned participating subsidiaries, except leased employees, certain nonresident aliens, and members of any units covered by a collective bargaining agreement. The Plan provides for retirement, death, and disability benefits and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Eligibility and Vesting

An eligible employee becomes a participant in the Plan upon completing one year of eligibility service and attaining age twenty-one. Participants vest in the Plan after completing three years of credited service or five years of credited service for participants prior to January 1, 2009.

Benefits

Effective January 1, 2009, the Plan changed from a final average compensation formula to a cash balance formula, except for participants whose age plus years of service were 75 or more as of December 31, 2008 (Rule of 75). Other than the Rule of 75 group employees, the participants' final average compensation benefit was frozen at December 31, 2008, with the cash balance formula starting January 1, 2009.

Participant cash balance accounts are credited on an annual basis with amounts ranging from three to five percent of their eligible earnings, as defined by the Plan. The annual crediting interest rate is based on the ten-year U.S. Treasury Constant Maturity Yield for the month of April, immediately preceding the Plan year.

Administrative Expenses

Fees for legal, accounting, actuarial, and other services are paid by the System. Administrative and trustee fees for the Plan may be paid out of the Plan's assets, or the System may elect to assume these fees to the extent it chooses. These fees were primarily paid by the Plan for the years ended December 31, 2013 and 2012.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Description of the Plan, continued

Plan Termination

Although it has not expressed an intention to do so, the System reserves the right to amend or terminate the Plan at any time. In the event the Plan is terminated, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations. In general, upon termination of the Plan, the Trustee, after paying all fees and expenses, is to use the funds to (1) provide benefits to those who are receiving benefits or who have been granted benefits; (2) provide all nonforfeitable benefits as defined; and (3) provide all other benefits under the Plan. Any remaining assets will be distributed to the Company.

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 plan benefits and may also depend on the financial condition of the System and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) as well as the priority of those benefits. Some benefits may be fully or partially provided for by the then-existing net assets of the Plan and the PBGC guarantee, while other benefits may not be provided for at all.

NOTE B - Summary of significant accounting policies

Basis of presentation

The accompanying financial statements and supplemental schedules have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investment valuation and income recognition

The Plan's investments are stated at fair value. 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. See Note E for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded when earned. Dividends are recorded on the ex-dividend date.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - Summary of significant accounting policies, continued

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note D) represent the actuarial present value of estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to service rendered by the employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Prior to January 1, 2009, benefits for retired or terminated employees or their beneficiaries and the accumulated plan benefits for active employees were based on their average compensation from the highest five consecutive years preceding the termination or valuation date. Final average compensation benefits were frozen at December 31, 2008. Effective January 1, 2009, benefits are based on cash balance accounts which are credited on an annual basis with amounts representing both compensation and interest benefits, as defined by the Plan. 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.

Payment of Benefits

Benefits are recorded when paid.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent events

The Plan has evaluated subsequent events through September 17, 2014, which is the date the financial statements were available to be issued, and has determined that there were no subsequent events that have occurred through the date that have not already been reflected in the financial statements and/or disclosed in the notes.

NOTE C - Funding Policy

The System's funding policy is to contribute amounts sufficient to meet the benefits to be paid to participants and to satisfy the ERISA minimum funding requirements, and may include an additional discretionary amount at the election of the Plan Sponsor. The Plan has met the minimum funding requirements of ERISA for 2013 and 2012.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - Funding Policy, continued

Although it has not expressed any intention to do so, the System has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, at which time its net assets generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated Plan benefit will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

NOTE D - Accumulated Plan Benefits

The Plan's actuary, Towers Watson Delaware, Inc., estimated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 significant actuarial assumptions used in the latest valuations, as of December 31, 2013 and 2012 were:

Actuarial method	Projected Unit Credit Method
Retirement rate	At rates varying by age (ages 55–67)
Mortality basis	The RP-2000 Combined Healthy Mortality Table, projected to 2020 using Scale AA for 2013 and The RP-2000 Combined Healthy Mortality Table, projected to 2015 using Scale AA for 2012
Discount rate	7.5% in 2013 and 8% in 2012
Assumed rate of return on investments	8.0% in 2013 and 2012

These 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.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - Accumulated Plan Benefits, continued

The accumulated plan benefit information as of December 31, 2012 is as follows:

Actuarial present value of accumulated plan benefits:

Vested benefits:

Participants and beneficiaries currently receiving benefits	\$ 19,087,314
---	---------------

Other participants	<u>70,583,643</u>
--------------------	-------------------

Total vested benefits	89,670,957
-----------------------	------------

Nonvested benefits	<u>297,112</u>
--------------------	----------------

Total actuarial present value of accumulated plan benefits	<u>\$ 89,968,069</u>
--	----------------------

The changes in the actuarial present value of accumulated Plan benefits as of December 31, 2011 to December 31, 2012 were as follows:

Actuarial present value of accumulated plan benefits

as of December 31, 2011	\$ 84,209,647
-------------------------	---------------

Increase (decrease) during the year attributed to:

Actual benefits paid	(4,512,567)
----------------------	-------------

Decrease in discount period	6,391,121
-----------------------------	-----------

Benefits accumulated	3,261,589
----------------------	-----------

Actuarial (gains)/losses	66,888
--------------------------	--------

Change in actuarial assumptions	<u>551,391</u>
---------------------------------	----------------

Net increase	<u>5,758,422</u>
--------------	------------------

Actuarial present value of accumulated plan benefits

as of December 31, 2012	<u>\$ 89,968,069</u>
-------------------------	----------------------

Note E - Fair Value Measurements

The ASC Topic *Fair Value Measurements and Disclosures* defines fair value and provides guidance for measuring fair value and expands disclosures about fair value measurements in accordance with accounting principles generally accepted in the United States of America. *Fair Value Measurements and Disclosures* does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements. *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 inputs must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs (Level 1) and minimize the use of unobservable inputs (Level 3).

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Cash and cash equivalents, including money market funds: reported at amortized cost which approximates fair value.

Fixed income securities: include debt obligations of the U.S. government and various agencies, U.S. corporations and other fixed income instruments. The composition of these securities represents an expected return and risk profile that is commensurate with broadly defined fixed income indexes such as the Barclays Capital U.S. Aggregate Index and are either valued at the closing price reported in the active market in which the bond is traded or based on yields currently available on comparable securities of issuers with similar credit ratings.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

Common stocks: include equity securities of publicly traded common stocks, traded on major U.S. exchanges of both U.S. and international corporations of which the majority represent actively traded and liquid securities and include large-, mid-, and small capitalization securities. Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. The composition of these securities represent an expected return and risk profile that is commensurate with broadly defined equity indexes such as the Russell 1000 Index, the Russell 2500 Index, and the Morgan Stanley Capital International (MSCI) EAFE (Europe, Australasia, Far East) Index.

Mutual funds: include both fixed income and equity funds investing in diversified portfolios of primarily international companies. The fair value of mutual funds is based on quoted redemption values on the last business day of the plan year and is valued at the net asset value of shares held by the Plan at year-end.

Limited partnerships: include hedge funds that are meant to provide equity-like returns with fixed-income-like levels of risk. Included in this category are investments that are diversified across various strategies and may consist of long/short equity funds and other opportunistic funds. The underlying investments in such funds may include publicly traded and privately held equity and debt instruments issued by U.S. and international corporations as well as various derivatives based on these securities. Investments in these funds which are categorized as Level 3 in the Plan's fair value hierarchy represent investments that, as managed by the fund managers, are primarily classified as Level 2 investments within the individual fund level. No significant redemption restrictions or remaining investment commitments apply to the Plan's investments in these funds. Fair value has been estimated using the net asset value per share, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Investment Committee meets periodically to review and discuss investment performance, adherence to the written investment policy and the investment policy itself. The Investment Committee approves changes in asset managers and asset allocation.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

The following tables set forth, by level within the fair value hierarchy, the Plan's assets carried at fair value on a recurring basis as of December 31, 2013 and 2012:

December 31, 2013				
	Level 1	Level 2	Level 3	Total
<i>(In Thousands)</i>				
Assets				
Investments:				
Money market funds:	\$ 642	\$ -	\$ -	\$ 642
Fixed income securities:				
U.S. treasuries	1,527	-	-	1,527
U.S. government agencies	-	7,764	-	7,764
U.S. corporate	-	10,565	-	10,565
Common stocks:				
U.S.	6,055	-	-	6,055
Mutual funds:				
Fixed income	9,439	-	-	9,439
Equity	45,907	11,726	-	57,633
Limited partnerships	-	-	16,179	16,179
Total assets at fair value	\$ 63,570	\$ 30,055	\$ 16,179	\$ 109,804

December 31, 2012				
	Level 1	Level 2	Level 3	Total
<i>(In Thousands)</i>				
Assets				
Investments:				
Money market funds:	\$ 22	\$ 1,597	\$ -	\$ 1,619
Fixed income securities:				
U.S. treasuries	1,619	-	-	1,619
U.S. government agencies	-	6,641	-	6,641
U.S. corporate	-	10,822	-	10,822
Common stocks:				
U.S.	4,273	-	-	4,273
Mutual funds:				
Fixed income	8,878	-	-	8,878
Equity	37,523	9,676	-	47,199
Limited partnerships	-	-	11,389	11,389
Total assets at fair value	\$ 52,315	\$ 28,736	\$ 11,389	\$ 92,440

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 limited partnership assets as of December 31:

	<u>2013</u>	<u>2012</u>
	<i>(In Thousands)</i>	
Balance, beginning of year	\$ 11,389	\$ 10,902
Unrealized gains (losses) related to instruments	1,390	487
Purchases	<u>3,400</u>	<u>-</u>
Balance, end of year	<u>\$ 16,179</u>	<u>\$ 11,389</u>

Note F - Investments

Other than the fair value of the investments in the limited partnerships and the related net appreciation (depreciation), all investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2013 and 2012, and net appreciation (depreciation) in fair value of investments and interest and dividend income for the years then ended, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by JPMorgan Chase Bank, N.A., the trustee of the Plan.

The Plan's investments (including investments purchased, sold, as well as held during the year) (depreciated) appreciated in fair value as follows:

	Year Ended December 31	
	<u>2013</u>	<u>2012</u>
Fixed income securities	\$ (1,321,301)	\$ 366,342
Common stocks	1,901,730	1,690,645
Mutual funds	9,888,885	4,822,384
Limited partnerships	<u>1,389,569</u>	<u>487,640</u>
	<u>\$ 11,858,883</u>	<u>\$ 7,367,011</u>

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note F - Investments, continued

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	December 31	
	2013	2012
Vanguard Institutional Index Fund	\$ 17,845,137	\$ 13,483,340
Tweedy Browne FD Inc Worldwide High Divid		
Yield Value FD	16,888,357	14,219,395
Artisan FDS Inc Intl FD Instl	11,726,385	9,676,012
Harbor FD Intl Fd Instl CL	11,173,639	9,820,239
Lighthouse Global Long/Short FD LTD CL F SHS	11,100,586	8,237,734

Note G - Tax Status

The Plan has received a favorable determination letter from the Internal Revenue Service dated February 18, 2014, stating that the Plan is designed in accordance with appropriate sections of the Internal Revenue Code (Code). Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the tax authorities. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes that the Plan is no longer subject to income tax examinations for years prior to 2010.

Note H - Party-in-Interest Transactions

Certain of the Plan's assets are invested in funds managed by the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transaction rules under ERISA.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note I - Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility, 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 those changes could materially affect the amounts reported in the Statements 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 processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

**SOUTHWEST RETIREMENT
AND CASH BALANCE PLAN**

***FINANCIAL
STATEMENTS***

***FOR THE
YEARS ENDED
DECEMBER 31,
2013 AND 2012***

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements.....	5-15
SUPPLEMENTAL SCHEDULES	
Schedule of Assets (Held at End of Year)	16-24
Schedule of Reportable Transactions	25

INDEPENDENT AUDITORS' REPORT

Downtown Cleveland Office

Hanna Building
1422 Euclid Avenue
Suite 1500
Cleveland, OH 44115
216-325-1700
fax: 216-325-1701
www.SSandG.com

To the Participants and Plan Administrator
Southwest Retirement and Cash Balance Plan
Middleburg Heights, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Southwest Retirement and Cash Balance Plan (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2013, and the related statement of changes in net assets available for benefits for the year 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 of 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 the audit 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 F, which was certified by JPMorgan Chase Bank, N.A., the trustee of the Plan, except for comparing the 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 a certification from the trustee as of and for the year ended December 31, 2013, that the information provided to the Plan Administrator by the trustee is complete and accurate.

**Providing the
services that
bring solutions**

Member of the AICPA
Registered with the PCAOB
Founding member of LEA Global

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.

Other Matter – Supplemental Schedules

The supplemental schedules of Assets (Held at End of Year) and Reportable Transactions for the Year Ended December 31, 2013 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 the supplemental schedules referred to above.

Other Matter – 2012 Financial Statements

The financial statements of the Plan as of December 31, 2012, were audited by predecessor auditors. 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 (ERISA), the Plan Administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by JPMorgan Chase Bank, NA, the trustee of the Plan. Their report, dated October 15, 2013, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance With DOL's Rules and Regulations 2013

The form and content of the information included in the 2013 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.

SS&G, Inc.

September 17, 2014

SS&G

Certified Public Accountants and Advisers

www.SSandG.com

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,	
	2013	2012
ASSETS		
Investments, at fair value		
Cash and cash equivalents	\$ 642,193	\$ 1,619,040
Fixed income securities	19,855,697	19,081,913
Common stocks	6,054,678	4,272,929
Mutual funds	67,072,725	56,076,826
Limited partnerships	16,179,106	11,389,447
	<u>109,804,399</u>	<u>92,440,155</u>
Receivables		
Contributions receivable	9,100,000	8,000,000
Interest and dividends receivable	143,145	217,461
	<u>9,243,145</u>	<u>8,217,461</u>
 TOTAL ASSETS	 119,047,544	 100,657,616
LIABILITIES		
Administrative expenses payable	<u>13,375</u>	<u>17,980</u>
 TOTAL LIABILITIES	 <u>13,375</u>	 <u>17,980</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u>\$ 119,034,169</u>	 <u>\$ 100,639,636</u>

See accompanying notes to financial statements.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	FOR THE YEARS ENDED DECEMBER 31,	
	<u>2013</u>	<u>2012</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Net appreciation in fair value of investments	\$ 11,858,883	\$ 7,367,011
Interest and dividends	<u>1,930,635</u>	<u>1,856,029</u>
	13,789,518	9,223,040
Employer contributions	<u>9,100,000</u>	<u>8,000,000</u>
	22,889,518	17,223,040
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefit paid to participants	4,011,968	4,668,389
Administrative expenses	<u>483,017</u>	<u>450,479</u>
	<u>4,494,985</u>	<u>5,118,868</u>
NET INCREASE	18,394,533	12,104,172
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of the year	<u>100,639,636</u>	<u>88,535,464</u>
End of the year	<u>\$ 119,034,169</u>	<u>\$ 100,639,636</u>

See accompanying notes to financial statements.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Description of the Plan

The following description of the Southwest Retirement and Cash Balance Plan (Plan) provides general information about the Plan's provisions. Southwest Community Health System (System) is the Plan Sponsor. Participants should refer to the plan document and summary plan description for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

General

The Plan is a cash balance defined benefit plan that covers all salaried and hourly employees of the System and its wholly-owned participating subsidiaries, except leased employees, certain nonresident aliens, and members of any units covered by a collective bargaining agreement. The Plan provides for retirement, death, and disability benefits and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Eligibility and Vesting

An eligible employee becomes a participant in the Plan upon completing one year of eligibility service and attaining age twenty-one. Participants vest in the Plan after completing three years of credited service or five years of credited service for participants prior to January 1, 2009.

Benefits

Effective January 1, 2009, the Plan changed from a final average compensation formula to a cash balance formula, except for participants whose age plus years of service were 75 or more as of December 31, 2008 (Rule of 75). Other than the Rule of 75 group employees, the participants' final average compensation benefit was frozen at December 31, 2008, with the cash balance formula starting January 1, 2009.

Participant cash balance accounts are credited on an annual basis with amounts ranging from three to five percent of their eligible earnings, as defined by the Plan. The annual crediting interest rate is based on the ten-year U.S. Treasury Constant Maturity Yield for the month of April, immediately preceding the Plan year.

Administrative Expenses

Fees for legal, accounting, actuarial, and other services are paid by the System. Administrative and trustee fees for the Plan may be paid out of the Plan's assets, or the System may elect to assume these fees to the extent it chooses. These fees were primarily paid by the Plan for the years ended December 31, 2013 and 2012.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Description of the Plan, continued

Plan Termination

Although it has not expressed an intention to do so, the System reserves the right to amend or terminate the Plan at any time. In the event the Plan is terminated, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations. In general, upon termination of the Plan, the Trustee, after paying all fees and expenses, is to use the funds to (1) provide benefits to those who are receiving benefits or who have been granted benefits; (2) provide all nonforfeitable benefits as defined; and (3) provide all other benefits under the Plan. Any remaining assets will be distributed to the Company.

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 plan benefits and may also depend on the financial condition of the System and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) as well as the priority of those benefits. Some benefits may be fully or partially provided for by the then-existing net assets of the Plan and the PBGC guarantee, while other benefits may not be provided for at all.

NOTE B - Summary of significant accounting policies

Basis of presentation

The accompanying financial statements and supplemental schedules have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investment valuation and income recognition

The Plan's investments are stated at fair value. 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. See Note E for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded when earned. Dividends are recorded on the ex-dividend date.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - Summary of significant accounting policies, continued

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note D) represent the actuarial present value of estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to service rendered by the employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Prior to January 1, 2009, benefits for retired or terminated employees or their beneficiaries and the accumulated plan benefits for active employees were based on their average compensation from the highest five consecutive years preceding the termination or valuation date. Final average compensation benefits were frozen at December 31, 2008. Effective January 1, 2009, benefits are based on cash balance accounts which are credited on an annual basis with amounts representing both compensation and interest benefits, as defined by the Plan. 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.

Payment of Benefits

Benefits are recorded when paid.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent events

The Plan has evaluated subsequent events through September 17, 2014, which is the date the financial statements were available to be issued, and has determined that there were no subsequent events that have occurred through the date that have not already been reflected in the financial statements and/or disclosed in the notes.

NOTE C - Funding Policy

The System's funding policy is to contribute amounts sufficient to meet the benefits to be paid to participants and to satisfy the ERISA minimum funding requirements, and may include an additional discretionary amount at the election of the Plan Sponsor. The Plan has met the minimum funding requirements of ERISA for 2013 and 2012.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - Funding Policy, continued

Although it has not expressed any intention to do so, the System has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, at which time its net assets generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated Plan benefit will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

NOTE D - Accumulated Plan Benefits

The Plan's actuary, Towers Watson Delaware, Inc., estimated the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 significant actuarial assumptions used in the latest valuations, as of December 31, 2013 and 2012 were:

Actuarial method	Projected Unit Credit Method
Retirement rate	At rates varying by age (ages 55–67)
Mortality basis	The RP-2000 Combined Healthy Mortality Table, projected to 2020 using Scale AA for 2013 and The RP-2000 Combined Healthy Mortality Table, projected to 2015 using Scale AA for 2012
Discount rate	7.5% in 2013 and 8% in 2012
Assumed rate of return on investments	8.0% in 2013 and 2012

These 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.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE D - Accumulated Plan Benefits, continued

The accumulated plan benefit information as of December 31, 2012 is as follows:

Actuarial present value of accumulated plan benefits:

Vested benefits:

Participants and beneficiaries currently receiving benefits	\$ 19,087,314
---	---------------

Other participants	<u>70,583,643</u>
--------------------	-------------------

Total vested benefits	89,670,957
-----------------------	------------

Nonvested benefits	<u>297,112</u>
--------------------	----------------

Total actuarial present value of accumulated plan benefits	<u>\$ 89,968,069</u>
--	----------------------

The changes in the actuarial present value of accumulated Plan benefits as of December 31, 2011 to December 31, 2012 were as follows:

Actuarial present value of accumulated plan benefits

as of December 31, 2011	\$ 84,209,647
-------------------------	---------------

Increase (decrease) during the year attributed to:

Actual benefits paid	(4,512,567)
----------------------	-------------

Decrease in discount period	6,391,121
-----------------------------	-----------

Benefits accumulated	3,261,589
----------------------	-----------

Actuarial (gains)/losses	66,888
--------------------------	--------

Change in actuarial assumptions	<u>551,391</u>
---------------------------------	----------------

Net increase	<u>5,758,422</u>
--------------	------------------

Actuarial present value of accumulated plan benefits

as of December 31, 2012	<u>\$ 89,968,069</u>
-------------------------	----------------------

Note E - Fair Value Measurements

The ASC Topic *Fair Value Measurements and Disclosures* defines fair value and provides guidance for measuring fair value and expands disclosures about fair value measurements in accordance with accounting principles generally accepted in the United States of America. *Fair Value Measurements and Disclosures* does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements. *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 inputs must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs (Level 1) and minimize the use of unobservable inputs (Level 3).

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Cash and cash equivalents, including money market funds: reported at amortized cost which approximates fair value.

Fixed income securities: include debt obligations of the U.S. government and various agencies, U.S. corporations and other fixed income instruments. The composition of these securities represents an expected return and risk profile that is commensurate with broadly defined fixed income indexes such as the Barclays Capital U.S. Aggregate Index and are either valued at the closing price reported in the active market in which the bond is traded or based on yields currently available on comparable securities of issuers with similar credit ratings.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

Common stocks: include equity securities of publicly traded common stocks, traded on major U.S. exchanges of both U.S. and international corporations of which the majority represent actively traded and liquid securities and include large-, mid-, and small capitalization securities. Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. The composition of these securities represent an expected return and risk profile that is commensurate with broadly defined equity indexes such as the Russell 1000 Index, the Russell 2500 Index, and the Morgan Stanley Capital International (MSCI) EAFE (Europe, Australasia, Far East) Index.

Mutual funds: include both fixed income and equity funds investing in diversified portfolios of primarily international companies. The fair value of mutual funds is based on quoted redemption values on the last business day of the plan year and is valued at the net asset value of shares held by the Plan at year-end.

Limited partnerships: include hedge funds that are meant to provide equity-like returns with fixed-income-like levels of risk. Included in this category are investments that are diversified across various strategies and may consist of long/short equity funds and other opportunistic funds. The underlying investments in such funds may include publicly traded and privately held equity and debt instruments issued by U.S. and international corporations as well as various derivatives based on these securities. Investments in these funds which are categorized as Level 3 in the Plan's fair value hierarchy represent investments that, as managed by the fund managers, are primarily classified as Level 2 investments within the individual fund level. No significant redemption restrictions or remaining investment commitments apply to the Plan's investments in these funds. Fair value has been estimated using the net asset value per share, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Investment Committee meets periodically to review and discuss investment performance, adherence to the written investment policy and the investment policy itself. The Investment Committee approves changes in asset managers and asset allocation.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

The following tables set forth, by level within the fair value hierarchy, the Plan's assets carried at fair value on a recurring basis as of December 31, 2013 and 2012:

December 31, 2013				
	Level 1	Level 2	Level 3	Total
<i>(In Thousands)</i>				
Assets				
Investments:				
Money market funds:	\$ 642	\$ -	\$ -	\$ 642
Fixed income securities:				
U.S. treasuries	1,527	-	-	1,527
U.S. government agencies	-	7,764	-	7,764
U.S. corporate	-	10,565	-	10,565
Common stocks:				
U.S.	6,055	-	-	6,055
Mutual funds:				
Fixed income	9,439	-	-	9,439
Equity	45,907	11,726	-	57,633
Limited partnerships	-	-	16,179	16,179
Total assets at fair value	\$ 63,570	\$ 30,055	\$ 16,179	\$ 109,804

December 31, 2012				
	Level 1	Level 2	Level 3	Total
<i>(In Thousands)</i>				
Assets				
Investments:				
Money market funds:	\$ 22	\$ 1,597	\$ -	\$ 1,619
Fixed income securities:				
U.S. treasuries	1,619	-	-	1,619
U.S. government agencies	-	6,641	-	6,641
U.S. corporate	-	10,822	-	10,822
Common stocks:				
U.S.	4,273	-	-	4,273
Mutual funds:				
Fixed income	8,878	-	-	8,878
Equity	37,523	9,676	-	47,199
Limited partnerships	-	-	11,389	11,389
Total assets at fair value	\$ 52,315	\$ 28,736	\$ 11,389	\$ 92,440

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note E - Fair Value Measurements, continued

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 limited partnership assets as of December 31:

	<u>2013</u>	<u>2012</u>
	<i>(In Thousands)</i>	
Balance, beginning of year	\$ 11,389	\$ 10,902
Unrealized gains (losses) related to instruments	1,390	487
Purchases	<u>3,400</u>	<u>-</u>
Balance, end of year	<u>\$ 16,179</u>	<u>\$ 11,389</u>

Note F - Investments

Other than the fair value of the investments in the limited partnerships and the related net appreciation (depreciation), all investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2013 and 2012, and net appreciation (depreciation) in fair value of investments and interest and dividend income for the years then ended, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by JPMorgan Chase Bank, N.A., the trustee of the Plan.

The Plan's investments (including investments purchased, sold, as well as held during the year) (depreciated) appreciated in fair value as follows:

	Year Ended December 31	
	<u>2013</u>	<u>2012</u>
Fixed income securities	\$ (1,321,301)	\$ 366,342
Common stocks	1,901,730	1,690,645
Mutual funds	9,888,885	4,822,384
Limited partnerships	<u>1,389,569</u>	<u>487,640</u>
	<u>\$ 11,858,883</u>	<u>\$ 7,367,011</u>

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note F - Investments, continued

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	December 31	
	2013	2012
Vanguard Institutional Index Fund	\$ 17,845,137	\$ 13,483,340
Tweedy Browne FD Inc Worldwide High Divid		
Yield Value FD	16,888,357	14,219,395
Artisan FDS Inc Intl FD Instl	11,726,385	9,676,012
Harbor FD Intl Fd Instl CL	11,173,639	9,820,239
Lighthouse Global Long/Short FD LTD CL F SHS	11,100,586	8,237,734

Note G - Tax Status

The Plan has received a favorable determination letter from the Internal Revenue Service dated February 18, 2014, stating that the Plan is designed in accordance with appropriate sections of the Internal Revenue Code (Code). Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the tax authorities. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes that the Plan is no longer subject to income tax examinations for years prior to 2010.

Note H - Party-in-Interest Transactions

Certain of the Plan's assets are invested in funds managed by the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transaction rules under ERISA.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

NOTES TO FINANCIAL STATEMENTS

Note I - Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility, 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 those changes could materially affect the amounts reported in the Statements 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 processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	<u>Cash Equivalents</u>			
	Cash			
	JP Morgan Liquid Assets Money Market Fd*	642,193 units	\$ 642,193	\$ 642,193
	Total Cash Equivalents		<u>\$ 642,193</u>	<u>\$ 642,193</u>
	<u>Fixed Income Securities</u>			
	<u>U.S. Treasuries</u>			
	United States Treasury Notes	\$150,000 principal amount, 2.375%, due 09-30-14	\$ 150,457	\$ 152,490
	United States Treasury Notes	\$500,000 principal amount, 3.625%, due 08-15-19	503,516	544,805
	United States Treasury Notes	\$500,000 principal amount, 1.625%, due 11-15-22	496,719	451,330
	United States Treasury Notes	\$366,963 principal amount, 1.625%, due 01-15-15	304,157	378,031
	Total U.S. Treasuries		<u>\$ 1,454,849</u>	<u>\$ 1,526,656</u>
	<u>U.S. Government Agencies</u>			
	Federal Farm Cr Bks Cons Systemwide BDS DTD 2/05/2008	\$500,000 principal amount, 3.75%, due 2-05-14	\$ 531,485	\$ 501,660
	Federal Farm Cr Bks Cons Systemwide BDS DTD 3/06/2013	\$500,000 principal amount, 1.65%, due 3-06-20	476,500	468,375
	Federal Home Ln BKS CONS BD DTD 6/04/2013	\$500,000 principal amount, 1.82% due 12/04/20	460,040	465,990
	Federal Home Ln BKS CONS BD DTD 6/20/2012	\$500,000 principal amount, 2.50% due 6/20/22	502,875	469,690
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 1993-023 CL-PZ	\$6,562.45 principal amount, 7.50%, due 03-25-23	6,517	7,437
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 2716 CL	\$195,600.18 principal amount, 4.50%, due 12-15-23	198,656	209,478
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 3726 CL KD	\$173,259.42 principal amount, 3.00%, due 04-15-25	175,831	178,845
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2005-54 CL VM	\$198,400.25 principal amount, 4.50%, due 11-25-25	201,748	201,434
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2011-40 CL KA	\$92,231.92 principal amount, 3.50%, due 03-25-26	93,270	89,998

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	<u>Fixed Income Securities (continued)</u>			
	<u>U.S. Government Agencies (continued)</u>			
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 3962 CL KD	\$251,645.37 principal amount, 3.00%, due 10-15-26	\$ 260,925	\$ 239,360
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2010-102 CL DE	\$407,426.49 principal amount, 3.00%, due 06-25-29	424,233	415,359
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2010-102 CL DE	\$479,908.99 principal amount, 3.50%, due 02-15-32	497,006	491,465
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 4247 CL EU	\$486,782.55 principal amount, 3.00%, due 03-15-32	504,124	495,949
	Federal Natl Mtg Assn Gtd Mtg Remic Pass Thru TR Remic Tr 2003-63 CL PE	\$54,041.20 principal amount, 3.50%, due 07-25-33	49,794	56,336
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2007-61 CL PC	\$108,666.94 principal amount, 5.50%, due 07-25-34	110,637	109,634
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2012-99 CL AC	\$460,954.86 principal amount, 2.00%, due 05-25-39	464,790	443,595
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2012-44 CL LA	\$342,230.53 principal amount, 3.50%, due 09-25-40	361,107	351,608
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 3874 CL PD	\$164,362.07 principal amount, 3.00%, due 06-15-38	170,320	168,323
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 4119 CL PA	\$456,158.55 principal amount, 1.50%, due 09-15-41	458,582	426,052
	Federal Home Ln Mtg Corp Multiclass Mtg Partn CTFS GTD Ser 4273 CL GM	\$269,448.89 principal amount, 3.00%, due 12-15-41	277,701	275,878
	Government Natl Mtg Assn GTD Remic Pass Thru SECS REMIC TR 2003-85	\$53,706.56 principle amount, 4.00%, due 3-20-33	53,564	56,957
	Government Natl Mtg Assn GTD Remic Pass Thru SECS REMIC TR 2009-101	\$278,605.86 principal amount, 4.00%, due 10-20-38	292,449	291,951
	Government Natl Mtg Assn GTD Remic Pass Thru SECS REMIC TR 2009-47	\$102,859.45 principal amount, 3.50%, due 6-16-39	102,843	107,183
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2013-34 CL PA	\$468,478.33 principal amount, 2.00%, due 08-25-42	475,506	441,269
	Federal Ntl Mtg Assn GTD Remic Pass Thru CTF Remic TR 2013-12 CL UA	\$287,264.09 principal amount, 2.50%, due 09-25-42	298,575	277,638
	Federal Home Ln Mtg Corp Partn CTFS Group NBR E9-5749	\$24,740.83 principal amount, 5.00%, due 04-01-18	24,741	26,085
	Federal Home Ln Mtg Corp Partn CTFS Group NBR E9-8361	\$50,544.87 principal amount, 5.00%, due 08-01-18	50,750	53,523
	Federal Ntl Mtg Assn GTD MTG Pass Thru CTF Pool NBR MA0598	\$235,593.86 principal amount, 3.50%, due 11-01-20	245,312	247,633
	Federal Natl Mtg Assn Gtd Mtg Pass Thru CTF Pool NBR 995880	\$64,930.68 principal amount, 4.00%, due 06-01-24	68,116	68,838

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	<u>Fixed Income Securities (continued)</u>			
	<u>U.S. Government Agencies (continued)</u>			
	Federal Home Ln Mtg Corp Partn CTFS Group NBR C0-0550	\$551.41 principal amount, 7.50%, due 09-01-27	\$ 562	\$ 653
	Federal Natl Mtg Assn Gtd Mtg Pass Thru CTF Pool NBR 787578	\$51,358.35 principal amount, 6.00%, due 07-01-35	52,650	57,525
	Federal Natl Mtg Assn Gtd Mtg Pass Thru CTF Pool NBR 819297	\$55,881.29 principal amount, 6.00%, due 09-01-35	57,261	62,551
	GNMA Gtd Pass Thru CTF Pool NBR 780118	\$516.77 principal amount, 9.50%, due 08-15-21	558	607
	GNMA Gtd Pass Thru CTF Pool NBR 780049	\$208.31 principal amount, 9.50%, due 11-15-21	228	231
	GNMA Gtd Pass Thru CTF Pool NBR 0436582	\$2,960.12 principal amount, 8.00%, due 12-15-26	3,040	3,403
	GNMA Gtd Pass Thru CTF Pool NBR 437116	\$616.76 principal amount, 8.00%, due 12-15-26	631	709
	GNMA Gtd Pass Thru CTF Pool NBR 0780497	\$541.32 principal amount, 8.00%, due 01-15-27	562	651
	Total U.S. Government Agencies		\$ 7,953,489	\$ 7,763,873
	<u>Corporate Obligations</u>			
	J P Morgan Chase & Co Nt	\$300,000 principal amount, 4.875%, due 03-15-14	\$ 281,730	\$ 302,550
	Key Bk N A Medium Term Sub Bk Note Tranche # SB 00008	\$250,000 principal amount, 5.800%, due 07-01-14	249,538	256,455
	Berkshire Hathaway Inc. DEL SR NT	\$500,000 principal amount, variable, due 08-15-14	500,740	502,170
	Sherwin Williams CO SR NT DTD 12/21/2009	\$500,000, principal amount, 3.125%, due 12-15-14	501,805	512,020
	Fifth Third BK Cincinnati, Ohio Med Term Sub Bk NTS Tranche #SB00001	\$500,000 principal amount, 4.75%, due 02-01-15	533,365	520,795
	Morgan Stanley SR NT DTD 4/28/2008	\$500,000 principal amount, 6.00%, due 04-28-15	529,095	532,515
	Goldman Sachs Group Inc NT DTD 2/07/2011	\$500,000 principal amount, 3.625%, due 02-07-16	493,295	524,740
	State STR Corp. SR NT	\$500,000 principal amount, 2.875%, due 03-07-16	498,085	520,315
	Cintas Corp NO 2 SR NT DTD 5/23/2011	\$500,000 principal amount, 2.85%, due 06-01-16	519,130	515,750
	Target Corp SR NT DTD 7/14/2006	\$400,000 principal amount, 5.875%, due 07-15-16	457,640	450,112

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	Fixed Income Securities (continued)			
	<i>Corporate Obligations (continued)</i>			
	PSEG PWR LLC SR NT DTD 9/19/2011	\$500,000 principal amount, 2.75%, due 09-15-16	\$ 514,940	\$ 517,755
	PNC FDG Corp GTD NT	\$250,000 principal amount, 2.70%, due 09-19-16	251,330	260,765
	Mattel Inc NT DTD 11/08/2011	\$500,000 principal amount, 2.50%, due 11-01-16	516,130	512,885
	Amgen Inc SR NT DTD 11/10/2011	\$500,000 principal amount, 2.50%, due 11-15-16	516,555	517,475
	Hewlett Packard Co Global NT DTD 12/09/2011	\$500,000 principal amount, 3.30%, due 12-09-16	502,245	523,315
	General Electric Cap Corp Medium Term NT\$ Tranche # TR 00853 DTD 1/09/2012	\$500,000 principal amount, 2.90%, due 1-09-17	505,280	521,985
	Ryder Sys Inc Medium Term NTS Tranche # TR 00209 DTD 2/28/2012	\$500,000 principal amount, 2.50%, due 3-01-17	503,580	508,680
	Walgreen Co NT DTD 9/13/2012	\$500,000 principal amount, 1.80%, due 9-15-17	505,335	503,465
	AT & T INC Global NT	\$250,000 principal amount, 5.50%, due 02-01-18	242,650	281,420
	BJ SVCS CO SR NT DTD 05/19/2008	\$500,000 principal amount, 6.00%, due 06-01-18	620,185	574,540
	Walgreen CO NT DTD 01/13/2009	\$250,000 principal amount, 5.25%, due 01-15-19	251,750	279,488
	Cabot Corp Medium Term Notes Tranche #TR 00019	\$50,000 principal amount, 7.280%, due 10-21-27	50,741	57,708
	Unum Corp Medium Term Notes Tranche #TR 00015	\$50,000 principal amount, 7.190%, due 02-01-28	50,000	53,599
	Green Tree Finl Corp 97-3 Mfd Hsg Sr Sub Passthru CTF A-6	\$29,055.73 principal amount, 7.32%, due 03-15-28	24,384	24,406
	IMC Home Equity Ln TR Ser 1997-5 Pass Thru CTF CL M2	\$14,126.16 principal amount, 7.310%, due 11-20-28	13,279	13,078
	Wells Fargo Mtg Backed Secs 2003-N TR Mtg Passthru CTF CL II-A-3	\$225,000 principal amount, Variable, due 12-25-33	193,760	191,797
	J P Morgan Mtg TR Ser 2005-ALT1 Mtg Passthru CTF CL 4-A-1	\$82,767.76 principal amount, 5.657%, due 10-25-35	74,473	69,835
	Bear Stearns Coml MTG SECS Inc 2005-PWR7 MTG Passthru CTF A-3	\$250,000 principal amount, 5.116%, due 02-11-41	267,266	258,900
	J P Morgan Chase Coml MTG SECS Corp 2004-C3 Coml MTG Passthru CTF A-5	\$250,000 principal amount, 4.878%, due 01-15-42	267,813	256,650
	<i>Total Corporate Obligations</i>		<u>\$ 10,436,119</u>	<u>\$ 10,565,168</u>
	Total Fixed Income Securities		<u><u>\$ 19,844,457</u></u>	<u><u>\$ 19,855,697</u></u>

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	Common Stocks			
	Abercrombie & Fitch Co CL A	1,450 units	\$ 66,838	\$ 47,720
	AFC Enterprises Inc	565 units	21,561	21,753
	Affiliated Managers Group, Inc.	100 units	15,554	21,688
	Airgas Inc	375 units	24,684	41,944
	AMC Networks Inc CL A	825 units	53,646	56,191
	Amphenol Corp	280 units	16,912	24,970
	Anixter Intl Inc	115 units	10,035	10,332
	Apogee Enterprises Inc	340 units	9,203	12,209
	Ares Cap Corp	3,375 units	50,526	59,974
	Arris Group Inc New	990 units	21,343	24,097
	Ashland Inc	370 units	34,204	35,905
	Aspen Technology Inc.	619 units	10,202	25,874
	Athlon Energy Inc	318 units	8,469	9,620
	Atwood Oceanics Inc	1,175 units	63,928	62,733
	B/E Aerospace Inc	550 units	23,816	47,867
	Ball Corp	475 units	21,500	24,539
	Bankrate Inc Del	630 units	10,970	11,302
	Barnes Group Inc	717 units	25,618	27,468
	Berry Plastics Group Inc	950 units	19,365	22,601
	Cabot Microelectronics Corp	243 units	10,727	11,105
	Cantel Med Corp	739 units	15,177	25,059
	Cardinal Finl Corp	1,258 units	15,725	22,631
	Carlisle Cos Inc	425 units	31,716	33,745
	Carpenter Technology Corp	1,075 units	54,194	66,865
	Centene Corp Del	195 units	13,000	11,495
	Churchill Downs Inc	235 units	15,512	21,068
	Cinemark Hldgs Inc	659 units	13,619	21,964
	Citigroup Inc New	1,000 units	37,026	52,130
	CNO Finl Group Inc	1,443 units	16,030	25,527
	Cogent Communications Group Inc NEW	721 units	14,532	29,136
	Coherent Inc	356 units	19,736	26,483
	Colfax Corp	480 units	24,465	30,571
	Comfort Sys USA Inc	550 units	11,090	10,665
	Community Health Sys Inc New	1,650 units	70,237	64,796
	Con-way Inc	1,250 units	45,210	49,638
	Cooper Cos Inc	290 units	33,401	35,914
	Crane Co	330 units	19,741	22,193
	Crown Hldgs Inc	1,650 units	54,663	73,541
	Cubist Pharmaceuticals Inc	333 units	13,999	22,934
	Cyberonics Inc	380 units	20,744	24,860
	Diamondback Energy Inc	199 units	4,001	10,524
	Diodes Inc	586 units	13,954	13,806
	Echostar Corp CL A	689 units	23,086	34,257
	Elizabeth Arden Inc	1,275 units	50,455	45,199
	Emerald Oil Inc	1,190 units	10,486	9,115

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	<u>Common Stocks (continued)</u>			
	Energys	408 units	\$ 17,606	\$ 28,597
	Entegris Inc	681 units	7,742	7,893
	Envestnet Inc	300 units	10,761	12,090
	Exponent Inc	275 units	20,940	21,250
	Exterran Hldgs Inc	760 units	24,056	25,992
	Fair Issac Corp	381 units	19,777	23,942
	Fifth Third Bancorp	2,850 units	39,835	59,936
	First Amern Finl Corp	1,850 units	44,931	52,170
	First Finl Bancorp	709 units	11,592	12,356
	First NBC Bk Hldg Co	621 units	15,108	20,058
	First Niagara Finl Group Inc New	4,775 units	42,019	50,711
	Fiserv Inc	1,150 units	30,907	67,908
	Flir Sys Inc	477 units	12,840	14,358
	Flowserve Corp	500 units	13,758	39,415
	FMC Corp New	800 units	31,991	60,368
	Forest City Enterprises Inc	1,325 units	21,944	25,308
	FXCM Inc CL A	1,463 units	25,182	26,100
	Genworth Finl Inc	1,880 units	20,629	29,196
	Global Pmts Inc	1,000 units	49,488	64,990
	GNC Hldgs Inc	1,225 units	41,855	71,601
	Graham Corp	303 units	11,577	10,996
	Graphic Packaging Hldg Co	7,300 units	62,885	70,080
	Gulfport Energy Corp	165 units	10,176	10,416
	Hanesbrands Inc	345 units	22,408	24,243
	Harbinger Group Inc	2,281 units	23,516	27,030
	Harman Intl Inds Inc	1,000 units	44,766	81,850
	Hartford Finl Svcs Group Inc	2,025 units	39,618	73,366
	Hasbro Inc	427 units	21,290	23,489
	HCA Hldgs Inc	1,700 units	36,204	81,107
	Helix Energy Solutions Group Inc	445 units	10,738	10,315
	Helmrich & Payne Inc	450 units	23,300	37,836
	Hertz Global Hldgs	3,000 units	65,350	85,860
	Hexcel Corp New	714 units	16,932	31,909
	HSN Inc DEL	1,025 units	56,180	63,858
	Huntington Bancshares Inc	6,175 units	32,096	59,589
	IAC Interactivecorp	1,000 units	49,463	68,651
	ICU Med Inc	140 units	6,199	8,919
	Ingredion Inc	625 units	31,663	42,788
	Inter Parfums Inc	316 units	9,451	11,316
	Jacobs Engr Group Inc	360 units	21,544	22,676
	Jarden Corp	335 units	15,440	20,552

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013	
<u>Common Stocks (continued)</u>				
J2 Global Inc	543 units	\$ 20,483	\$	27,155
Kandant Inc	219 units	8,124		8,874
Kaiser Alum Corp	160 units	10,980		11,238
Kar Auction Svcs Inc	1,835 units	39,306		54,225
Korn/Ferry Intl	492 units	11,687		12,851
Lennar Corp Cl A	1,250 units	46,426		49,450
Liberty Interactive Corp Liberty Ventures Ser A	275 units	31,507		33,712
Ligand Pharmaceuticals Inc	92 units	4,389		4,839
Live Nation Entmt Inc	1,605 units	26,483		31,715
Lumos Networks Corp	446 units	10,538		9,366
Martin Marietta Matls Inc	235 units	23,778		23,486
MedAssets Inc	3,505 units	77,381		69,504
Microchip Technology Inc	505 units	20,566		22,599
Micron Technology Inc	2,600 units	45,573		56,550
Monotype Imaging Hldgs Inc	762 units	9,289		24,277
MRC Global Inc	2,050 units	54,728		66,133
Navistar Intl Corp NEW	900 units	27,411		34,371
NCR Corp	2,400 units	42,721		81,744
Noble Energy Inc	800 units	34,037		54,488
Nuance Communications Inc	2,550 units	49,467		38,760
Owens Ill Inc New	1,475 units	39,305		52,775
Packaging Corp Amer	500 units	11,412		31,640
Patterson-UTL Energy Inc	870 units	21,285		22,028
PDC Energy Inc	182 units	6,386		9,686
Pentair LTD	775 units	33,508		60,194
Perkinelmer Inc	596 units	17,910		24,573
PHH Corp	462 units	8,550		11,250
Pioneer Nat Res Co	250 units	21,950		46,017
Plantronics Inc New	490 units	20,305		22,760
Proassurance Corp	411 units	16,887		19,925
PTC Inc	882 units	19,324		31,214
PVH Corp	450 units	49,655		61,209
Quanta Svcs Inc	1,850 units	47,281		58,386
Radian Group Inc	1,730 units	18,695		24,428
Regions Finl Corp	4,750 units	29,235		46,977
Reinsurance Group Amer Inc	750 units	36,220		58,057
Reliance Stl & Alum Co	725 units	36,721		54,984
Rent A Ctr Inc New	1,150 units	40,451		38,341
Ring Energy Inc	1,008 units	10,262		12,298
Rite Aid Corp	9,250 units	26,970		46,805
Rockwood Hldgs Inc	775 units	43,212		55,738
Rovi Corp	2,850 units	60,501		56,116
SEI Invts Co	14,258 units	23,739		49,490
SEMGroup Corp CL A	351 units	11,789		22,896
Skyworks Solutions Inc	2,450 units	51,120		69,972
Snap On Inc	350 units	18,752		38,332

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	Common Stocks (continued)			
	Spectrum Brands Hldgs Inc	275 units	\$ 9,872	\$ 19,401
	Springleaf Hldgs Inc	540 units	9,180	13,651
	Suncoke Energy Inc	486 units	10,984	11,086
	Superior Energy Svcs Inc	1,925 units	52,100	51,224
	Synovus Finl Corp	6,378 units	18,851	22,961
	Team Health Holdings Inc	489 units	12,018	22,274
	Tenneco Inc Del	1,085 units	41,596	61,378
	Theravance Inc	170 units	5,495	6,060
	Tribune Co New CL A	440 units	31,963	34,056
	Trimas Corp New	609 units	20,032	24,293
	TRW Automotive Hldgs Corp	275 units	19,925	20,457
	U S Silica Hldgs Inc	633 units	18,580	21,592
	United Rentals Inc	825 units	28,671	64,309
	Universal Health SVCS Inc CL B	405 units	25,684	32,910
	Vail Resorts Inc	294 units	15,060	22,118
	Wesco Intl Inc	425 units	19,103	38,705
	Westar Energy Inc	1,174 units	36,997	37,768
	Wyndam Worldwide Corp	415 units	22,111	30,581
	Cubalmart	1,177 units	16,974	18,761
	Istar Finl Inc	844 units	7,522	12,044
	New Residential Invt Corp	3,804 units	24,649	25,411
	NewCastle Invt Corp New	4,070 units	21,512	23,362
	Resource Cap Corp	3,864 units	24,713	22,914
	Starwood Ppty Tr Inc	805 units	18,890	22,298
	Actavis PLC	314 units	30,570	52,752
	Aercap Hldg N V	410 units	6,365	15,723
	Alkermes PLC	164 units	3,651	6,668
	Assured Guaranty LTD	1,291 units	27,544	30,455
	Avago Technologies LTD	1,000 units	30,768	52,879
	Check Point Software Tech LTD	925 units	44,633	59,662
	Constellium N V CL A	3,575 units	63,488	83,190
	Delphi Automotive PLC	850 units	22,823	51,110
	Enstar Group LTD	148 units	11,037	20,559
	Icon PLC	937 units	35,644	37,330
	Maiden Hldgs LTD	2,131 units	18,445	22,981
	Marvell Technology Group LTD	1,635 units	22,829	23,511
	Popular Inc	781 units	21,145	22,438
	Renaissancere Hldgs LTD	475 units	41,434	46,236
	Signet Jewelers LTD	450 units	20,171	35,415
	Stealthgas Inc	1,238 units	12,057	12,615
	Valeant Pharmaceuticals Intl Inc CDA	525 units	21,475	61,635
	Validus Hldgs LTD	1,325 units	43,956	53,384
	Total Common Stocks		\$ 4,581,473	\$ 6,054,678

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

DECEMBER 31, 2013

EIN #34-1455141 Plan #001

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment (including maturity date, rate of interest, collateral, par or maturity value)	Cost	Current value at December 31, 2013
	<u>Mutual Funds</u>			
	Pimco Funds			
	Unconstrained BD FD Instl CL	429,009 units	\$ 4,819,124	\$ 4,757,710
	Vanguard Fixed Income Secs Fd Inc			
	Inflation Protected Secs Fd Admiral Shs	183,804 units	5,322,852	4,681,498
	Vanguard Instl Index FD	105,418 units	13,556,275	17,845,137
	Artisan FDS Inc Intl FD Instl	382,465 units	7,621,252	11,726,385
	Harbor FD Intl Fd Instl CL	157,353 units	7,144,168	11,173,638
	Tweedy Browne FD Inc Worldwide High Divid			
	Yield Value FD	1,427,587 units	12,847,028	16,888,357
	Total Mutual Funds		\$ 51,310,699	\$ 67,072,725
	<u>Limited Partnerships</u>			
	Blackstone Res Select Offshore FD CL B Ser 1	5,364 units	\$ 5,800,000	\$ 5,078,521
	Lighthouse Global Long/Short FD LTD CL F SHS	9,003 units	9,100,000	11,100,585
	Total Limited Partnerships		\$ 14,900,000	\$ 16,179,106
			\$ 91,278,822	\$ 109,804,399

*Indicates party-in-interest to the Plan.

SOUTHWEST RETIREMENT AND CASH BALANCE PLAN

EIN #34-1455141 Plan #001

FOR THE YEAR ENDED DECEMBER 31, 2013

SCHEDULE H, LINE J - SCHEDULE OF REPORTABLE TRANSACTIONS

(a)	(b)	(c)	(d)	(f)	(g)	(h)	(i)
Identity of <u>Party Involved</u>	<u>Description of Assets</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Expense Incurred with Transaction</u>	<u>Cost of Asset</u>	<u>Current Value of Asset on Transaction Date</u>	<u>Net Gain or (Loss)</u>
Category (iii) – Series of transactions in excess of 5% of plan assets							
	JPMorgan Liquid Assets Money Market Funds	\$ 16,960,214	-	-	\$ 16,960,214	\$ 16,960,214	-
	JPMorgan Liquid Assets Money Market Funds	-	\$ 18,290,073	-	18,290,073	18,290,073	\$ -

There were no category (i), (ii) or (iv) reportable transactions during 2013.

* Indicates party-in-interest to the Plan.

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Southwest General Health Center
EIN/PN	34-1455141/001
Plan Name	Southwest Retirement and Cash Balance Plan
Valuation Date	January 1, 2013
Enrolled Actuary	Audrey Cervas
Enrollment Number	14-06430

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	Southwest Retirement and Cash Balance Plan
EIN / PN:	34-1455141 / 001
Plan Sponsor:	Southwest General Health Center
Valuation Date:	January 1, 2013

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 2013 This Form is Open to Public Inspection
---	--	---

For calendar plan year 201 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

► **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>Southwest Retirement and Cash Balance Plan</u>	B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>Southwest Community Health System</u>	D Employer Identification Number (EIN) <u>34-1455141</u>
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>1</u> Day <u>1</u> Year <u>2013</u>			
2 Assets:			
a Market value	2a		100,336,948
b Actuarial value	2b		100,786,907
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	447	21,088,780
b For terminated vested participants	3b	740	19,867,258
c For active participants:			
(1) Non-vested benefits	3c(1)		330,808
(2) Vested benefits	3c(2)		62,739,891
(3) Total active	3c(3)	2,066	63,070,699
d Total	3d	3,253	104,026,737
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		6.39 %
6 Target normal cost	6		3,863,512

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 <u>Audrey A. Cervas</u> Type or print name of actuary <u>Towers Watson Delaware Inc.</u> Firm name <u>1001 Lakeside Avenue, Suite 1900</u> <u>Cleveland</u> Address of the firm <u>OH 44114</u>	<u>09/26/2014</u> Date <u>14-06430</u> Most recent enrollment number <u>(216) 937-4000</u> Telephone number (including area code)
----------------------	--	--

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	5,107,277
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	3,792,740
9 Amount remaining (line 7 minus line 8)	0	1,314,537
10 Interest on line 9 using prior year's actual return of <u>10.98</u> %		144,336
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		6,597,373
b Interest on (a) using prior year's effective interest rate of <u>7.11</u> % except as otherwise provided (see instructions)		615,852
c Total available at beginning of current plan year to add to prefunding balance		7,213,225
d Portion of (c) to be added to prefunding balance		5,600,000
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	7,058,873

Part III Funding Percentages

14 Funding target attainment percentage	14	90.09 %
15 Adjusted funding target attainment percentage	15	90.09 %
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	97.19 %
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
03/21/2014	500,000		09/11/2014	3,100,000	
05/08/2014	500,000				
05/21/2014	500,000				
06/19/2014	1,500,000				
07/17/2014	1,500,000				
08/19/2014	1,500,000				
Totals ▶			18(b)	9,100,000	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	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	8,262,057

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	(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: 4.94 %	2nd segment: 6.15 %	3rd segment: 6.76 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 62
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	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
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	3,863,512	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment.....	10,298,703		2,112,667
b Waiver amortization installment			0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	5,976,179	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	4,189,716	4,189,716
36 Additional cash requirement (line 34 minus line 35).....	36	1,786,463	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	8,262,057	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	6,475,594	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	4,189,716	
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 SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2013

See Appendix A for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

x	q_x^r	l_x	$p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
50	0.00	1,000,000	1.000000	0.000000	0.000000
51	0.00	1,000,000	1.000000	0.000000	0.000000
52	0.00	1,000,000	1.000000	0.000000	0.000000
53	0.00	1,000,000	1.000000	0.000000	0.000000
54	0.00	1,000,000	1.000000	0.000000	0.000000
55	0.05	1,000,000	1.000000	0.050000	2.750000
56	0.05	950,000	0.950000	0.047500	2.660000
57	0.05	902,500	0.902500	0.045125	2.572125
58	0.05	857,375	0.857375	0.042869	2.486388
59	0.05	814,506	0.814506	0.040725	2.402793
60	0.10	773,781	0.773781	0.077378	4.642686
61	0.10	696,403	0.696403	0.069640	4.248057
62	0.30	626,763	0.626763	0.188029	11.657784
63	0.15	438,734	0.438734	0.065810	4.146034
64	0.15	372,924	0.372924	0.055939	3.580068
65	0.70	316,985	0.316985	0.221890	14.422825
66	0.50	95,096	0.095096	0.047548	3.138153
67	1.00	47,548	0.047548	0.047548	3.185701

Average age at retirement 61.892614

Rounded for Schedule B item 22 62

Plan Name: Southwest Retirement and Cash Balance Plan
 EIN / PN: 34-1455141 / 001
 Plan Sponsor: Southwest General Health Center
 Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 23 Statement of Actuarial Assumptions and Methods

Economic Assumptions

Interest rate basis:

- | | |
|---|-----------------|
| • Applicable month | September |
| • Yield curve basis | 3-Segment Rates |
| • MAP-21 applied for funding | Yes |
| • MAP-21 applied for benefit restrictions | Yes |

Interest rates:

Reflecting Corridors

- | | |
|---------------------------|-------|
| • First segment rate | 4.94% |
| • Second segment rate | 6.15% |
| • Third segment rate | 6.76% |
| • Effective interest rate | 6.39% |

Annual rates of increase

- | | |
|--|-------|
| • Future Social Security wage bases | 4.50% |
| • Statutory limits on compensation | None. |
| • Interest credits for cash balance plan | 5.00% |

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the enrollment date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality The prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants.

For plan reporting purposes, the RP-2000 Combined Healthy Mortality Table projected to 2020 using Scale AA with separate rates for males and females.

Plan Name:	Southwest Retirement and Cash Balance Plan
EIN / PN:	34-1455141 / 001
Plan Sponsor:	Southwest General Health Center
Valuation Date:	January 1, 2013

SCHEDULE SB ATTACHMENTS

Termination Rates

For participants with fewer than 10 years of service:

Years of Service	Percentage Leaving During the Year
1	12%
2 or 3	11%
4 or 5	10%
6 or 7	9%
8 or 9	8%

For participants with ten or more years of service:

Age	Male	Female
30	6.9%	9.9%
40	2.8%	4.9%
50	0.4%	1.7%
60	0.0%	0.4%

Disability

None assumed.

Retirement

The rates at which participants are assumed to retire by age are shown below:

Percentage retiring during the year	
Ages	Rate of Retirement
55 – 59	5%
60 – 61	10%
62	30%
63 – 64	15%
65	70%
66	50%
67	100%

Benefit commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have attained age 55.
- Deferred vested benefit Age 65.

Plan Name: Southwest Retirement and Cash Balance Plan
EIN / PN: 34-1455141 / 001
Plan Sponsor: Southwest General Health Center
Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

- Retirement benefit Immediately upon termination of employment.

Form of payment Participants are assumed to elect the lump sum form of payment for the cash balance benefit. The annuity benefit is assumed to be paid on a 5 year certain and continuous basis.

Marriage 85% of male and 80% of female participants are assumed to be married. In addition, male spouses are assumed to be three years older than female spouses.

Plan compensation/salary 2013 Compensation is estimated by increasing the 2012 pensionable earnings by 3.0%. Employees with less than 1,000 hours in the prior year are assumed to not have a cash balance accrual for the current year. For purposes of the final average formula, part-time employees have annualized compensation.

Credited Service It is assumed the upcoming year credited service will equal the prior year credited service for purposes of the final average formula.

Administrative expenses The amount included this year for plan-related expenses is \$336,277.

Plan Name: Southwest Retirement and Cash Balance Plan
EIN / PN: 34-1455141 / 001
Plan Sponsor: Southwest General Health Center
Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Methods

Valuation date	First day of plan year.
Funding target	Present value of accrued benefits.
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year.
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2012 plan year.) The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years.
Benefits not valued	The disability benefit was deemed to be insignificant and was not valued.

Plan Name:	Southwest Retirement and Cash Balance Plan
EIN / PN:	34-1455141 / 001
Plan Sponsor:	Southwest General Health Center
Valuation Date:	January 1, 2013

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Principal Plan Provisions

Plan Sponsor

Southwest Community Health System

Plan

Southwest Retirement and Cash Balance Plan

Effective Date and Most Recent Amendment

August 1, 1954; amended and restated effective January 1, 2009.

Plan Year

The twelve-month period ending December 31.

Coverage and Participation

Each employee of Southwest General Health Center, Southwest Community Health System, Southwest Community Health Foundation, Southwest Holdings Inc. or its successors becomes a participant after completing 1 year of Eligibility Service and attaining age 21. Physicians employed at Oaktree Physicians, Inc. become participants after the later of age 21 and one year of service or January 1, 1997.

Credited Service

- (a) Service: One year is credited if 1,000 Hours of Service are completed in any calendar year.
- (b) Eligibility Service: One year is credited for each calendar year, or other eligibility computation period, in which at least 1,000 Hours of Service are completed.
- (c) Benefit Service for the final average formula: One year is credited for each calendar year in which at least 1,800 Hours of Service are completed, with pro rata service credited for 1,000 or more but less than 1,800 hours:

Hours of Service		
At Least	Less Than	Benefit Service
1,000	1,200	.6
1,200	1,400	.7
1,400	1,600	.8
1,600	1,800	.9
1,800	N/A	1.0

Plan Name: Southwest Retirement and Cash Balance Plan
EIN / PN: 34-1455141 / 001
Plan Sponsor: Southwest General Health Center
Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Normal Retirement Benefit

Eligibility: attainment of age 65, or 5 years after becoming a participant, if later.

Grandfathered Employees (Age plus service more than 75 as of December 31, 2008):

Benefit Formula: The monthly normal retirement benefit, if paid on a five-year certain and continuous basis is 1.28% of Credited Monthly Compensation up to the employee's Covered Compensation plus 1.92% of Credited Monthly Compensation in excess of Covered Compensation, times years of Benefit Service limited to 35 years.

Credited Monthly Compensation represents the monthly average of the entire compensation received by the employee during the five consecutive calendar years in which Benefit Service is earned in the ten years prior to his date of retirement which affords the highest average, or the monthly average during all full, consecutive calendar years of employment if fewer than five. For part-time employees and for the first year of employment, if Hours of Service are at least equal to 1,000, compensation is annualized to reflect the rate of compensation for a standard work year. Compensation considered for any calendar year may not exceed maximum limitations for that year as defined in the Internal Revenue Code.

If an employee has less than 1,000 Hours of Service in a calendar year, that year is ignored for the purpose of determining Credited Monthly Compensation. This means that "consecutiveness" is not affected by such years.

Non-Grandfathered Employees:

The benefit is the same as the Grandfathered but using only credited monthly compensation, covered compensation and Benefit Service through December 31, 2008. Effective January 1, 2009, benefit accrual is based on an account balance and will be determined using the following Compensation and Interest Credits:

Compensation Credits

Years of Service on Last Day of Plan Year	Compensation Credit
Less than 11 Years of Service	3%
11 to 20 Years of Service	4%
21 Years of Service or More	5%

The Compensation Credit is accrued for employees with 1,000 hours or more in the year.

Interest Credits

The Interest Credit is provided at the end of the calendar year using the September 10-year Treasury yield of the preceding year.

Plan Name: Southwest Retirement and Cash Balance Plan
EIN / PN: 34-1455141 / 001
Plan Sponsor: Southwest General Health Center
Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Early Retirement Benefit

Eligibility: Eligible at age 55 with at least 5 years of Service.

Benefit: For the final average formula benefit, the monthly benefit available at early retirement is the amount of normal retirement benefit based on earnings and service up to actual retirement (accrued normal retirement benefit). The benefit commences at age 65 or may be actuarially reduced for commencement prior to age 65. Actuarial reduction factors equal:

Age	Factor
55	.3674
56	.4036
57	.4439
58	.4888
59	.5390
60	.5951
61	.6580
62	.7288
63	.8084
64	.8983

The cash balance is available at termination.

Disability Benefit

Eligibility: Eligible if totally and permanently disabled after any age and 5 years of Service, provided the employee is eligible for and receiving Federal Social Security benefits.

The accrued normal retirement benefit is payable after 6 months of disability. The benefit is actuarially reduced for commencement prior to age 65.

Vested Benefits Upon Termination of Service

Vesting: Eligible after 3 years of Service.

Termination Benefit: The deferred vested benefit is the calculated normal retirement pension, based on Benefit Service and Credited Monthly Compensation at termination, payable at age 65 or, alternatively, an actuarially reduced pension payable as early as age 55. The cash balance benefit is available at termination.

Plan Name: Southwest Retirement and Cash Balance Plan
EIN / PN: 34-1455141 / 001
Plan Sponsor: Southwest General Health Center
Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Death Benefits for Participants in Active Service

Upon the death of an employee after 3 years of Service or vested former employee, the surviving spouse will receive 50% of the annuity benefit which would have been paid to the participant on his Earliest Retirement Date or date of death, if later, under the 50% Joint & Survivor option and based upon the accrued benefit at date of death. The cash balance is available upon death.

Form of Payment

Final average formula: an employee may elect to receive his benefit on a five-year certain and continuous basis or on an actuarially equivalent 10-year certain, 15-year certain, 50%, 75% or 100% contingent annuitant or straight-life basis. In addition, a Lump Sum Cash Payment Option is available, with limitations, only to individuals who were participants as of December 31, 1993. The lump sum is limited to the 12/31/93 accrued benefit times the lump sum factor plus up to \$25,000 more. A residual annuity benefit equals the accrued benefit times one less the ratio of the lump sum without limit to the limited lump sum.

The cash balance benefit is available as a lump sum, single life basis and the 50%/75%/100% Joint & Survivor option.

Changes in Plan Provisions since Last Actuarial Valuation

None.

Plan Name:	Southwest Retirement and Cash Balance Plan
EIN / PN:	34-1455141 / 001
Plan Sponsor:	Southwest General Health Center
Valuation Date:	January 1, 2013

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2013

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	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	64	32,406	1		0		0		0		0		0		0		0		0	
25 - 29	123	42,462	36	43,490	1		0		0		0		0		0		0		0	
30 - 34	77	45,977	72	43,823	39	42,705	2		0		0		0		0		0		0	
35 - 39	75	42,555	64	42,121	66	59,046	15		0		0		0		0		0		0	
40 - 44	84	49,279	68	53,183	65	61,076	34	56,967	10		0		0		0		0		0	
45 - 49	55	67,055	77	55,740	63	52,931	48	58,624	30	57,745	11		3		0		0		0	
50 - 54	80	45,565	48	47,165	84	52,736	44	55,907	40	68,128	20	52,280	11		16		0		0	
55 - 59	43	59,606	59	57,728	64	49,891	37	60,680	32	56,112	19		27	65,916	27	65,560	4		1	
60 - 64	22	45,942	30	39,311	33	55,929	13		12		22	49,048	21	69,136	8		1		0	
65 - 69	10		14		11		3		2		4		9		3		0		0	
70 & Over	2		2		0		2		3		0		0		0		0		0	

Plan Name: Southwest Retirement and Cash Balance Plan
 EIN / PN: 34-1455141 / 001
 Plan Sponsor: Southwest General Health Center
 Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2013

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.
Under 25	53	1,390	1		0		0		0		0		0		0		0		0	
25 – 29	105	2,726	35	4,662	1		0		0		0		0		0		0		0	
30 – 34	69	3,599	68	4,914	39	5,503	2		0		0		0		0		0		0	
35 - 39	67	2,853	57	4,965	66	7,435	14		0		0		0		0		0		0	
40 - 44	75	3,494	64	6,094	61	8,683	31	9,307	10		0		0		0		0		0	
45 - 49	53	4,885	74	6,299	61	7,174	47	9,274	29	10,443	11		3		0		0		0	
50 - 54	70	3,484	45	5,186	84	7,215	44	8,467	38	12,175	17		5		0		0		0	
55 - 59	39	4,513	58	6,135	64	6,836	32	10,042	29	10,573	8		0		0		0		0	
60 - 64	21	2,591	28	4,494	31	7,677	13		7		0		0		0		0		0	
65 - 69	6		12		10		2		0		0		0		0		0		0	
70 & Over	1		2		0		0		0		0		0		0		0		0	

Plan Name: Southwest Retirement and Cash Balance Plan
 EIN / PN: 34-1455141 / 001
 Plan Sponsor: Southwest General Health Center
 eVal VRS: 2013 Funding SB
 Valuation Date: January 1, 2013

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2013

			Remaining		Amortization
Type of Base	Date Established	Initial Amount	Amortization Period (Years)	Outstanding Balance	Payment
1 Shortfall	01/01/2013	8,399,577	7	8,399,577	1,401,822
2 Shortfall	01/01/2012	(10,607,614)	6	(9,529,171)	(1,800,372)
3 Shortfall	01/01/2011	15,263,026	5	11,428,297	2,511,217
Total				10,298,703	2,112,667

Plan Name: Southwest Retirement and Cash Balance Plan
 EIN / PN: 34-1455141 / 001
 Plan Sponsor: Southwest General Health Center
 Valuation Date: January 1, 2013

**Notice to Terminated Accountant
or Enrolled Actuary**

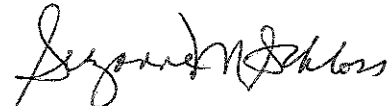
I, as plan administrator, verify that the explanation that is reproduced below or attached to this notice is the explanation concerning your termination reported on the Schedule C (Form 5500) attached to the 2013 Form 5500 Annual Return/Report of Employee Benefit Plan, for the SOUTHWEST RETIREMENT AND CASH BALANCE PLAN. This Form 5500 is identified in line 2b by the nine-digit EIN 34-1455141, and in line 1b by the three-digit PN 001.

It was mutually determined by Southwest Community Health System and Ernst & Young, LLP that a different service provider would better suit the needs of this plan.

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN, and PN of the plan and be submitted to: Office of Enforcement, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

Signed

Dated


10.9.2014