

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>07/01/2013</u> and ending <u>06/30/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information										
1a Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1963</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>23-1352155</u></td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number <u>814-889-3629</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>07/01/1963</u>		2b Employer Identification Number (EIN) <u>23-1352155</u>		2c Sponsor's telephone number <u>814-889-3629</u>		2d Business code (see instructions) <u>622000</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>07/01/1963</u>											
2b Employer Identification Number (EIN) <u>23-1352155</u>											
2c Sponsor's telephone number <u>814-889-3629</u>											
2d Business code (see instructions) <u>622000</u>											
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>UPMC ALTOONA</u> <u>620 HOWARD AVENUE</u> <u>ALTOONA, PA 16601-4899</u>											

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/15/2015	BETSY KREUZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/15/2015	BETSY KREUZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN
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		3c Administrator's telephone number 4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 3527
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 1656
b Retired or separated participants receiving benefits		6b 862
c Other retired or separated participants entitled to future benefits.....		6c 912
d Subtotal. Add lines 6a , 6b , and 6c		6d 3430
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e 63
f Total. Add lines 6d and 6e		6f 3493
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 0
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 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
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For calendar plan year 2013 or fiscal plan year beginning 07/01/2013 and ending 06/30/2014

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

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

A Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM</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>UPMC ALTOONA</u>	D Employer Identification Number (EIN) <u>23-1352155</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>07</u> Day <u>01</u> Year <u>2013</u>	
2 Assets:	
a Market value	2a <u>219360965</u>
b Actuarial value	2b <u>218729374</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>816</u> <u>71667740</u>
b For terminated vested participants.....	3b <u>895</u> <u>31097595</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>207688</u>
(2) Vested benefits	3c(2) <u>100937968</u>
(3) Total active.....	3c(3) <u>1816</u> <u>101145656</u>
d Total.....	3d <u>3527</u> <u>203910991</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>6.76 %</u>
6 Target normal cost	6 <u>8688424</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>04/14/2015</u>
	Signature of actuary	Date
<u>ALVIN K. WINTERS</u>		<u>14-06620</u>
	Type or print name of actuary	Most recent enrollment number
<u>CBIZ</u>		<u>301-777-1500</u>
	Firm name	Telephone number (including area code)
<u>44 BALTIMORE STREET</u> <u>CUMBERLAND, MD 21502</u>		
	Address of the firm	

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

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

Schedule SB (Form 5500) 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	2835474
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	2835474
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>10.87</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		66198262
b Interest on (a) using prior year's effective interest rate of <u>7.09</u> % except as otherwise provided (see instructions)		4800638
c Total available at beginning of current plan year to add to prefunding balance		70998900
d Portion of (c) to be added to prefunding balance		70998900
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	70998900

Part III Funding Percentages		
14 Funding target attainment percentage	14	72.44 %
15 Adjusted funding target attainment percentage	15	107.26 %
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	128.85 %
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
03/13/2015	66624000				
			Totals ►	18(b)	66624000 18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	59617678
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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.23%	2nd segment: 6.51%	3rd segment: 7.16 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 67
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	8688424	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	56180517	10730413	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	19418837	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	19418837	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	59617678	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	40198841	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 07/01/2013 and ending 06/30/2014	
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 UPMC ALTOONA	D Employer Identification Number (EIN) 23-1352155

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

CBIZ BENEFITS AND INSURANCE SERVICE

52-0807416

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARY	355911	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

M&T BANK

16-0538020

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 24 27 62	TRUSTEE	93848	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

CS MCKEE

52-0807416

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGER	48039	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)

CONESTOGA MANAGEMENT

23-3072906

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGER	45304	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

BARROW HANLEY

75-2403190

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGER	43980	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

ING INV MGMT

06-0888148

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGER	36531	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

SPRUCEGROVE INVESTMENT MANAGEMENT L

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGER	30027	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

JP MORGAN INVESTMENT MANAGEMENT INC

31-1192865

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGER	12951	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
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large;">2013</p> <hr/> <p style="text-align: center; font-size: small;">This Form is Open to Public Inspection.</p>
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For calendar plan year 2013 or fiscal plan year beginning 07/01/2013	and ending 06/30/2014
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A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM	B Three-digit plan number (PN) ▶	001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500 UPMC ALTOONA	D Employer Identification Number (EIN) 23-1352155
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Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a	Name of MTIA, CCT, PSA, or 103-12 IE: UPMC MASTER TRUST
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b	Name of sponsor of entity listed in (a): UPMC
----------	---

c EIN-PN 25-1423657-999	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 245311245
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a	Name of MTIA, CCT, PSA, or 103-12 IE:
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b	Name of sponsor of entity listed in (a):
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c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a	Name of MTIA, CCT, PSA, or 103-12 IE:
----------	---------------------------------------

b	Name of sponsor of entity listed in (a):
----------	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a	Name of MTIA, CCT, PSA, or 103-12 IE:
----------	---------------------------------------

b	Name of sponsor of entity listed in (a):
----------	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a	Name of MTIA, CCT, PSA, or 103-12 IE:
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b	Name of sponsor of entity listed in (a):
----------	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a	Name of MTIA, CCT, PSA, or 103-12 IE:
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b	Name of sponsor of entity listed in (a):
----------	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a	Name of MTIA, CCT, PSA, or 103-12 IE:
----------	---------------------------------------

b	Name of sponsor of entity listed in (a):
----------	--

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>07/01/2013</u> and ending <u>06/30/2014</u>		
A Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>UPMC ALTOONA</u>	D Employer Identification Number (EIN) <u>23-1352155</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	175176	
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	76797546	66624000
	(2) Participant contributions.....	1b(2)		
	(3) Other.....	1b(3)	5663819	1
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	5667645	750659
	(2) U.S. Government securities	1c(2)	9942447	
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)	2497170	
	(B) All other.....	1c(3)(B)	6625418	
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	3270960	
	(B) Common.....	1c(4)(B)	29353713	
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property).....	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans.....	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		245311245
	(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)	83030711	
	(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	223024605	312685905

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	223024605	312685905
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	66624000	
(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)		66624000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	225	
(B) U.S. Government securities	2b(1)(B)	186543	
(C) Corporate debt instruments	2b(1)(C)	216780	
(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)		403548

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	391174	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1133250	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1524424

(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	83757542	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	78096347	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		5661195

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	22231	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		22231

		(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)		15868870
(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)		8756439
c Other income.....	2c		4303
d Total income. Add all income amounts in column (b) and enter total.....	2d		98865010

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8160241	
(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)		8160241
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)	449760	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	446373	
(4) Other.....	2i(4)	147336	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1043469
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9203710

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		89661300
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: **BKD, LLP**

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

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		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	
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.
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For calendar plan year 2013 or fiscal plan year beginning 07/01/2013 and ending 06/30/2014

A Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF THE ALTOONA REGIONAL HEALTH SYSTEM</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>UPMC ALTOONA</u>	D Employer Identification Number (EIN) <u>23-1352155</u>

Part I	Distributions
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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>23-3060382</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>7</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)
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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
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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
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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.
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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: 39% Investment-Grade Debt: 12% High-Yield Debt: 1% Real Estate: 1% Other: 47%

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

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

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

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

Retirement Plan for Employees of the Altoona Regional Health System

EIN 23-1352155 PN 001

Independent Auditor's Report and Financial Statements

June 30, 2014 and 2013

Retirement Plan for Employees of the Altoona Regional Health System

June 30, 2014 and 2013

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Independent Auditors' Report

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

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Retirement Plan for Employees of the Altoona Regional Health System, which comprise the statements of net assets available for benefits as of June 30, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974*, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in *Note 4*, which was certified by Manufacturers and Traders Trust Company and BNY Mellon, the trustee and the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Manufacturers and Traders Trust Company held certain Plan investment assets and executed investment transactions as of and for the years ended June 30, 2014 and 2013, and that BNY Mellon held certain plan investment assets and executed investment transactions as of June 30, 2014, and for the period of March 6, 2014, through June 30, 2014. The plan administrator has obtained certifications from the trustee and the custodian as of and for the years ended June 30, 2014 and 2013, that the information provided to the plan administrator by the trustee and the custodian is complete and accurate to the best of their knowledge.

Disclaimer of Opinion

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

Supplementary Information

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

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

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

BKD, LLP

Springfield, Missouri
April 15, 2015

Federal Employer Identification Number: 44-0160260

Retirement Plan for Employees of the Altoona Regional Health System

Statements of Net Assets Available for Benefits

June 30, 2014 and 2013

Assets

	2014	2013
Investments, At Fair Value		
Plan interest in Master Trust	\$ 245,311,245	\$ -
U.S. Treasury obligations	-	2,646,289
U.S. government agencies	-	4,472,750
Corporate and foreign bonds	-	6,625,418
Closed-end, fixed-income securities	-	5,838,099
Common and preferred equity securities	-	23,599,209
Mutual funds	750,659	54,080,079
Cash and cash equivalents	-	4,461,620
	<u>246,061,904</u>	<u>101,723,464</u>
Receivables		
Employer's contribution	66,624,000	76,797,546
Accrued income receivable	1	116,993
Due from broker	-	35,766
	<u>66,624,001</u>	<u>76,950,305</u>
Total assets	<u>312,685,905</u>	<u>178,673,769</u>
Net Assets Available for Benefits, At Fair Value	<u>\$ 312,685,905</u>	<u>\$ 178,673,769</u>

Retirement Plan for Employees of the Altoona Regional Health System

Statements of Changes in Net Assets Available for Benefits Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Investment Income		
Net appreciation in fair value of investments	\$ 14,444,168	\$ 7,788,768
Net appreciation in fair value of plan interest in the Master Trust	15,868,870	-
Interest and dividend income	<u>1,927,972</u>	<u>1,887,358</u>
Net investment income	32,241,010	9,676,126
Employer Contributions	<u>66,624,000</u>	<u>76,797,546</u>
Total additions	<u>98,865,010</u>	<u>86,473,672</u>
Deductions		
Benefits paid directly to participants	8,160,241	3,796,266
Administrative expenses	<u>1,043,469</u>	<u>838,102</u>
Total deductions	<u>9,203,710</u>	<u>4,634,368</u>
Net Increase	89,661,300	81,839,304
Transfer of Assets to the Plan	<u>44,350,836</u>	<u>-</u>
Net Increase and Transfer of Assets to the Plan	134,012,136	81,839,304
Net Assets Available for Benefits, Beginning of Year	<u>178,673,769</u>	<u>96,834,465</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ 312,685,905</u></u>	<u><u>\$ 178,673,769</u></u>

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Note 1: Description of the Plan

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

General

The Plan is a noncontributory defined benefit plan that covers substantially all employees of Altoona Regional Health System, which effective July 1, 2013, became UPMC Altoona (the "Hospital") and provides for retirement, death and disability benefits. Employee eligibility is limited to participants with 12 months of service and 1,000 hours worked. The Plan is subject to provisions of the *Employee Retirement Income Security Act of 1974* (ERISA).

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

On March 6, 2014, the Hospital and the University of Pittsburgh Medical Center (UPMC) completed an affiliation between the organizations. Substantially all of the Plan's investments were liquidated and subsequently invested in the UPMC Master Trust (the "Master Trust"), which resulted in the Plan changing their custodian to BNY Mellon.

Plan Merger

On June 20, 2013, the Hospital resolved to merge the Retirement Plan for Bargaining Unit Employees of the Altoona Regional Health System into this plan effective July 1, 2013. Also the Plan name was changed to Retirement Plan for Employees of the Altoona Regional Health System. The merger does not affect participant pension benefits because the benefit provisions of the merged plans are incorporated into the Plan. For reporting on the Form 5500, the Hospital has elected to show this transfer as a payable to the successor plan as of June 30, 2013 (see *Note 9*).

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

The transfer from the Retirement Plan from Bargaining Unit Employees of the Altoona Regional Health System included the following:

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

Contributions

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

Pension Benefits

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

Death Benefits

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

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Vesting

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

Plan Termination

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

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

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

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

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The Plan's financial statements are prepared on the accrual basis of accounting.

Use of Estimates

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

Valuation of Investments and Income Recognition

The Plan's investments are stated at fair value. Fair value is defined as 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 (an exit price). See *Note 7* for further discussion of fair value measurements.

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

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

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

Accumulated Plan Benefits

Accumulated plan benefits (see *Note 3*) are those estimated future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to:

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

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

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

Plan Tax Status

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

With a few exceptions, the Plan is no longer subject to federal, state and local income tax examinations by tax authorities for years before 2011.

Note 3: Accumulated Plan Benefits

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

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

The accumulated plan benefit information for each plan year prepared as of July 1, 2013 and 2012, was as follows:

	<u>2014</u>	<u>2013</u>
Actuarial present value of accumulated plan benefits		
Vested benefits		
Participants currently receiving payments	\$ 66,476,499	\$ 63,817,439
Other participants	118,826,004	86,105,813
	<u>185,302,503</u>	<u>149,923,252</u>
Nonvested benefits	<u>187,638</u>	<u>2,610</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 185,490,141</u>	<u>\$ 149,925,862</u>

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

	<u>2014</u>	<u>2013</u>
Actuarial present value of accumulated plan benefits, beginning of year	<u>\$ 149,925,862</u>	<u>\$ 131,121,733</u>
Increase (decrease) during the year attributable to		
Interest due to the decrease in the discount period	10,938,431	9,585,816
Benefits accumulated	2,468,720	15,840,022
Assumption changes	30,317,369	-
Benefits paid	<u>(8,160,241)</u>	<u>(6,621,709)</u>
Net increase	<u>35,564,279</u>	<u>18,804,129</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 185,490,141</u>	<u>\$ 149,925,862</u>

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Significant assumptions underlying the actuarial computations are:

	2014	2013
Assumed rate of return on investments	7.50%	7.50%
Mortality basis	2013 Static Mortality	2012 Static Mortality
Retirement	67 years old	67 years old

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. Due to the merger of the Plan (see *Note 1*), the foregoing actuarial assumptions reflect that of the merged plan.

Note 4: Investments

The Plan's investments are held in a Master Trust as of June 30, 2014, and by a bank-administered trust fund as of June 30, 2014 and 2013. The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

	2014	
	Net Appreciation (Depreciation) in Fair Value During Year	Fair Value at End of Year
Plan interest in Master Trust	\$ 15,868,870	\$ 245,311,245
U.S. Treasury obligations	(11,077)	-
U.S. government agencies	(38,003)	-
Corporate and foreign bonds	74,066	-
Closed-end, fixed-income securities	187,718	-
Common and preferred equity securities	5,662,679	-
Mutual funds	8,568,785	750,659
Cash and cash equivalents	-	-
	<u>\$ 30,313,038</u>	<u>\$ 246,061,904</u>

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements June 30, 2014 and 2013

	2013	
	Net Appreciation (Depreciation) in Fair Value During Year	Fair Value at End of Year
U.S. Treasury obligations	\$ (170,604)	\$ 2,646,289
U.S. government agencies	(226,133)	4,472,750
Corporate and foreign bonds	(198,607)	6,625,418
Closed-end, fixed-income securities	48,876	5,838,099
Common and preferred equity securities	4,166,445	23,599,209
Mutual funds	4,168,791	54,080,079
Cash and cash equivalents	-	4,461,620
	\$ 7,788,768	\$ 101,723,464

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

	2014	2013
Plan interest in UPMC Master Trust	\$ 245,311,245	\$ -
JPMCB Bond Fund	- *	5,838,099
Vanguard Institutional Index CL I	- *	17,995,696
Vanguard Short-Term Inv Grd CL Adml	- *	7,065,923

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

Interest and dividends realized on the Plan's investments for the years ended 2014 and 2013 were \$1,927,972 and \$1,887,358, respectively.

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Note 5: Interest in Master Trust

In connection with the affiliation between the Hospital and UPMC described in *Note 1*, on March 6, 2014, substantially all of the Plan's investments were liquidated and subsequently invested in the Master Trust, which was established for the investment of assets of the Plan and other UPMC-sponsored retirement plans. Each participating retirement plan has an undivided interest in the Master Trust. The Master Trust assets are allocated among the participating plans by assigning to each plan those transactions (primary contributions, benefit payments and plan-specific administrative expenses) that can be specifically identified and by allocating among all plans, in proportion to each plan's beneficial interest in the Master Trust, income and expenses resulting from the collective investment of the assets in the Master Trust. At June 30, 2014, the Plan's interest in the net assets of the Master Trust was approximately 15.3%.

The Master Trust includes investments in limited partnerships, representing investments in hedge funds and private equity funds approximating \$237.6 million and \$408.7 million, at June 30, 2014. UPMC has outstanding commitments to invest up to \$145.5 million in limited partnerships included in the Master Trust as of June 30, 2014.

The following table presents the fair value of the net assets of the Master Trust at June 30, 2014:

Master Trust Investments, at fair value:	
Cash	\$ 19,987,618
U.S. government securities	664,163
Asset and mortgage-backed securities	9,672,957
Corporate debt instruments	14,056,360
Corporate stocks	131,772,894
Interest in common/collective trust funds	86,319,567
Interest in registered investment companies	604,552,689
Exchange-traded funds (ETFs)	32,079,168
Managed accounts:	
Asset and mortgage-backed securities	36,059,914
Common/collective trust fund	19,649,158
Money market	3,870,020
	<hr/>
	958,684,508
Limited partnerships	646,210,063
	<hr/>
	1,604,894,571
Net receivables (payables)	1,177,871
	<hr/>
	<u>\$ 1,606,072,442</u>

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Following is a summary of appreciation (depreciation) and interest and dividend income of the Master Trust's investments (including investments bought, sold and held during the year) for the year ended June 30, 2014:

Net appreciation (depreciation) in fair value of investments	
Cash	\$ 33,089
U.S. government securities	(209,561)
Asset and mortgage-backed securities	60,601
Corporate debt instruments	476,863
Common stocks	22,076,701
Interest in common/collective trusts	3,426,837
Interest in registered investment companies	67,562,431
Exchange-traded funds (ETFs)	(240,003)
Managed accounts	(776,094)
Limited partnerships	95,415,261
Net appreciation (depreciation) in fair value of Master Trust investments	187,826,125
Master Trust interest and dividend income	22,578,332
Total net appreciation (depreciation) in fair value and interest and dividend income	<u>\$ 210,404,457</u>

Note 6: Fair Value Measurements of the Master Trust

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

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

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Following is a description of the valuation techniques and inputs used for each major class of assets in the Master Trust at fair value:

Cash is valued at amortized cost which approximates fair value.

Corporate stocks and ETFs are valued at the closing price reported on the active market on which the individual securities are traded.

Registered investment companies are valued based on quoted market prices, which represent the net asset value (NAV) of shares held by the Plan at year end. The NAV is a quoted price in an active market.

U.S. government securities are valued at fair value using quoted market prices. The quoted market price is available in an active market.

Asset and mortgage-backed securities, money market and corporate debt instruments are valued at fair value, which is estimated using quoted prices of securities with similar characteristics. The quoted market prices for the specific securities are not available in an active market.

Common/collective trust funds (funds) are valued at estimated fair values, which have been determined based on the unit values of the funds. Unit values are determined by the issuer sponsoring such funds by dividing the fund's net assets at fair value by its units outstanding at the valuation dates.

Limited partnerships are valued using NAV, which approximates fair value. NAV is based on the unit values of the interests. Unit values are determined by the issuer sponsoring such interests by dividing the fund's net assets at fair value by its units outstanding at the valuation dates. The Plan Sponsor has an appointed Investment Committee that is responsible for determining the Plan's asset allocation and oversight of the investments held by the Plan. The Investment Committee meets quarterly and monitors all investment activity by reviewing fund performance of existing funds. All new limited partnership investments are authorized by the Investment Committee. The Plan Sponsor is responsible for determining the Plan's valuation policies and analyzing information that is used to determine the fair value of the limited partnerships held by the Plan. The Plan Sponsor monitors all limited partnership activity by reviewing fund performance of existing funds and performing due diligence for potential future investments. The Plan Sponsor also collects and reviews the audited financial statements of the limited partnerships and reconciles the audited values to internal accounting records annually.

The preceding methods 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.

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements June 30, 2014 and 2013

The following table set forth by level, within the fair value hierarchy, the Master Trust's assets at fair value as of June 30, 2014:

Assets at Fair Value as of June 30, 2014

	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Assets				
Cash	\$ 121,986	\$ -	\$ -	\$ 121,986
Corporate Stocks:				
U.S. Large Cap	8,256,024	-	-	8,256,024
U.S. Mid Cap	5,953,191	-	-	5,953,191
U.S. Small Cap	47,753,854	-	-	47,753,854
International Developed	43,320,842	-	-	43,320,842
International Emerging Market	5,941,737	-	-	5,941,737
U.S. REITS	20,547,246	-	-	20,547,246
Total corporate stocks	131,772,894	-	-	131,772,894
Fixed Income Securities				
U.S. Government Securities	664,163	-	-	664,163
Asset and Mortgage Backed Securities	-	9,672,957	-	9,672,957
Corporate debt instruments	-	14,056,360	-	14,056,360
Total fixed income securities	664,163	23,729,317	-	24,393,480
Registered Investment Companies				
Domestic Index Funds	173,977,762	-	-	173,977,762
Domestic Fixed Income Funds	119,221,593	-	-	119,221,593
International Equity Index Fund	50,544,260	-	-	50,544,260
International Developed Equity Fund	52,254,808	-	-	52,254,808
International Emerging Market Funds	208,554,266	-	-	208,554,266
Total registered investment companies	604,552,689	-	-	604,552,689
Common Collective Trusts (a)	-	86,319,567	-	86,319,567
Private Equity and Hedge Investments				
Limited Partnerships				
Private Real Estate (b)	-	-	60,477,387	60,477,387
Private Natural Resources (c)	-	-	46,690,564	46,690,564
Absolute Return (Hedge Funds) (d)	-	-	103,388,613	103,388,613
Long/Short Equity (Hedge Funds) (e)	-	-	134,163,013	134,163,013
Private Equity (f)	-	-	301,490,486	301,490,486
Total limited partnerships	-	-	646,210,063	646,210,063
Absolute Return (Managed Accounts)				
Asset and Mortgage Backed Securities	-	36,059,914	-	36,059,914
Long/Short Equity (Managed Accounts)				
Money Market Fund	-	3,870,020	-	3,870,020
Common Collective Trust	-	19,649,158	-	19,649,158
Long/Short Equity (Cash)	19,865,632	-	-	19,865,632
Long/Short Equity (ETF's)	32,079,168	-	-	32,079,168
Total private equity and hedge investments	51,944,800	59,579,092	646,210,063	757,733,955
Total assets at fair value	\$ 789,056,532	\$ 169,627,976	\$ 646,210,063	\$ 1,604,894,571

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

- (a) The investment objective for these funds is to achieve long-term capital growth. One fund also seeks to achieve total return in excess of the Morgan Stanley Capital International Inc. Emerging Markets Index through investing in emerging stock markets. Liquidity provisions vary per fund, with redemptions being permitted on the valuation date with written notification at least one month prior to redemption. The valuation date varies per fund, and ranges mainly from weekly to monthly.
- (b) The investment objective of these partnerships is to invest in commercial real estate properties and real estate related assets. On an individual basis, these partnerships have a finite life. At June 30, 2014, it is estimated that the underlying assets of these partnerships will be liquidated over an average of eight years and there is no ability for the Plan Sponsor to redeem prior to the conclusion of the partnerships. Some of these partnerships may elect to extend their term at their discretion. The outstanding commitment to invest in these funds is up to \$15.0 million.
- (c) The investment objective of these limited partnerships is to acquire energy assets such as oil and natural gas production, oilfield services, power generation and other natural resources-related industries that have the potential for meaningful capital appreciation. On an individual basis, these partnerships have a finite life. At June 30, 2014, it is estimated that the underlying assets of these partnerships will be liquidated over an average of ten years and there is no ability for the Plan Sponsor to redeem prior to the conclusion of the partnerships. Some of these partnerships may elect to extend their term at their discretion. The outstanding commitment to invest in these funds is up to \$23.4 million.
- (d) The investment objective for these limited partnerships is to invest with the goal of generating a positive real return without correlation to general markets. While specific liquidity provisions vary by fund, redemptions are generally permitted on a monthly or quarterly basis. While fund managers reserve the right to suspend redemptions under certain market conditions, no such conditions exist as of June 30, 2014, and through the date these financial statements were available to be issued.
- (e) The investment objective for these limited partnerships is to invest with the goal of generating a return similar to equity markets with less volatility. While specific liquidity provisions vary by fund, redemptions are generally permitted on a monthly, quarterly or annual basis. While fund managers reserve the right to suspend redemptions under certain market conditions, no such conditions exist as of June 30, 2014, and through the date these financial statements were available to be issued.

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

^(f)The investment objective of these limited partnerships is to achieve long-term capital appreciation through a diversified portfolio of leveraged buyout, growth equity, venture capital, structured equity and distressed debt investment opportunities throughout the globe. On an individual basis, these partnerships have a finite life. At June 30, 2014, it is estimated that the underlying assets of the funds will be liquidated over an average of eight years and there is no ability for the Plan Sponsor to redeem prior to the conclusion of the partnerships. Some of these partnerships may elect to extend their term at their discretion. The outstanding commitment to invest in these funds is up to \$107.1 million.

Level 3 Reconciliation

The following table sets forth a summary of changes in the fair value of the Master Trust's Level 3 assets for the year ended June 30, 2014:

Balance, beginning of year	\$ 542,443,590
Realized gains (losses)	28,664,900
Unrealized gains (losses) relating to instruments still held at the reporting date	66,750,361
Purchases	104,464,691
Settlements	<u>(96,113,479)</u>
Balance, end of year	<u>\$ 646,210,063</u>

Note 7: Other Fair Value Measurements

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

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

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2014 and 2013:

2014				
Fair Value Measurements Using				
Fair Value	Level 1	Level 2	Level 3	
Plan interest in UPMC Master Trust	\$ 245,311,245	\$ -	\$ 245,311,245	\$ -
Mutual funds	750,659	750,659	-	-
	<u>\$ 246,061,904</u>	<u>\$ 750,659</u>	<u>\$ 245,311,245</u>	<u>\$ -</u>
2013				
Fair Value Measurements Using				
Fair Value	Level 1	Level 2	Level 3	
U.S. Treasury obligations	\$ 2,646,289	\$ 2,646,289	\$ -	\$ -
U.S. government agencies	4,472,750	-	4,472,750	-
Corporate and foreign bonds	6,625,418	-	6,625,418	-
Closed-end, fixed-income securities	5,838,099	5,838,099	-	-
Common and preferred equity securities				
Consumer	3,811,824	3,811,824	-	-
Energy	2,242,605	2,242,605	-	-
Financial	3,174,491	3,174,491	-	-
Health Care	2,813,707	2,813,707	-	-
Information technology	4,414,915	4,414,915	-	-
Industrials	2,996,137	2,996,137	-	-
Preferred	2,336,400	-	-	-
Other	1,809,130	1,809,130	-	-
Mutual funds				
Taxable fixed income	17,293,823	17,293,823	-	-
Domestic	27,651,185	27,651,185	-	-
International	9,135,071	9,135,071	-	-
Cash and cash equivalents	4,461,620	-	4,461,620	-
	<u>\$ 101,723,464</u>	<u>\$ 83,827,276</u>	<u>\$ 15,559,788</u>	<u>\$ -</u>

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2014. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis.

Investments

Cash and cash equivalents are valued at amortized cost which approximates fair value.

Common and preferred equity securities are valued at the closing price reported on the active market on which the individual securities are traded.

Registered investment companies, mutual funds and closed-end fixed income securities are valued based on quoted market prices, which represent the net asset value (NAV) of shares held by the Plan at year end. The NAV is a quoted price in an active market.

U.S. Treasury obligations are valued at fair value using quoted market prices. The quoted market price is available in an active market.

U.S. government agencies and corporate bonds are valued at fair value, which is estimated using quoted prices of securities with similar characteristics. The quoted market prices for the specific securities are not available in an active market.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

See *Notes 5 and 6* for description of the Plan's investment in the UPMC Master Trust.

Note 8: Party-in-Interest Transactions

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

The Plan invests in certain funds of a company affiliated with the plan trustee. Direct fees for custody-related services paid by the Plan to this trustee were \$101,554 and \$91,994 for the years ended June 30, 2014 and 2013, respectively.

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

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

Note 9: Differences Between Financial Statements and Form 5500 Information

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

	2014	2103
Net assets available for benefits per the financial statements	\$312,685,905	\$178,673,769
Transfer of plan assets due to the merger	-	44,350,836
Net assets available for benefits per the Form 5500	\$312,685,905	\$223,024,605

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

Note 10: Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the 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 process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Retirement Plan for Employees of the Altoona Regional Health System

Notes to Financial Statements

June 30, 2014 and 2013

Note 11: Subsequent Events

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

Plan Merger into UPMC Basic Retirement Plan

Effective after December 31, 2014, participants shall not accrue any additional benefits under the Plan and the Plan is frozen and there shall be no new participants thereafter.

Also effective December 31, 2014, the Plan was merged into the UPMC Basic Retirement Plan and the assets and liabilities of the Plan were transferred to the UPMC Basic Retirement Plan. Upon the transfer of such assets, the obligation to provide benefits accrued under this Plan as of December 31, 2014, shall cease to be an obligation of the Plan and will instead become an obligation of the UPMC Basic Retirement Plan.

Supplemental Schedules

Retirement Plan for Employees of the Altoona Regional Health System

EIN 23-1352155 PN 001

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

June 30, 2014

Identity of Issuer (a)(b)		Description of Investment (c)	Cost (d)	Current Value (e)
Master Trust				
	*BNY Mellon	Master Trust Investment Account	\$ 232,049,301	\$ 245,311,245
Mutual Funds				
	Blackrock	Blackrock Liquidity T-Fund Institutional	<u>750,659</u>	<u>750,659</u>
Total Plan Investments			<u>\$ 232,799,960</u>	<u>\$ 246,061,904</u>

* Indicates party-in-interest as defined by ERISA

Retirement Plan for Employees of the Altoona Regional Health System

EIN 23-1352155 PN 001

Schedule H, Line 4j – Schedule of Reportable Transactions Year Ended June 30, 2014

Identity	Description	Total Number of Purchases	Total Number of Sales	Purchase Price	Selling Price	Net Gain or (Loss)
Category (i) – Single Transaction in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	-	1	\$ -	\$ 9,801,161	\$ 97,503
Vanguard	Vanguard Institutional Index CI I	-	1	-	29,192,038	3,820,110
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	13,386,567	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	13,648,260	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	9,088,942	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	18,474,094	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	48,612,057	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	38,491,092	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	55,268,518	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	-	159,952,277	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	12,911,915	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	13,170,000	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	29,192,038	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	29,718,924	-
BNY Mellon	UMPC Master Trust UPMC HS Pension MTU	-	1	159,950,000	-	-
BNY Mellon	UMPC Master Trust UPMC HS Pension MTU	-	1	72,300,000	-	-
Category (iii) – Series of Transactions in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	-	2	\$ -	\$ 9,816,643	\$ 97,488
Vanguard	Vanguard Institutional Index CI I	-	1	-	29,192,038	3,820,110
M&T Bank	U.S. Treasury Money Market Select Shares	509	267	252,188,623	-	-
				-	257,856,252	-

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

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

<u>Type of Base</u>	<u>Present Value of Remaining Installment</u>	<u>Valuation Date that Base was Established</u>	<u>Amortization Years Remaining</u>	<u>Amortization Installment</u>
Shortfall	\$1,917,885	7/1/2008	2	\$983,380
Shortfall	(336,369)	7/1/2009	3	(117,885)
Shortfall	7,422,625	7/1/2010	4	1,999,870
Shortfall	5,980,853	7/1/2011	7	1,006,611
Shortfall	(3,419,855)	7/1/2012	6	(650,580)
Shortfall	44,615,378	7/1/2013	7	7,509,017
TOTAL	<u>\$56,180,517</u>			<u>\$10,730,413</u>

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

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

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

Schedule SB, line 25 - Change in Method

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

The attribution method for determining active liabilities was changed from linear proration to benefit eligibility to accrual rate proration.

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 23-1352155 / 001

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Plan Provisions

Effective Date: July 1, 1963

Plan Year: July 1 through June 30

Eligibility:

Minimum Age: None

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

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

Excluded: Any employee covered under another retirement plan sponsored by UPMC, as well as any person employed for the first time by UPMC after June 30, 2008 or any person rehired by UPMC after June 30, 2008.

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

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

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

- A. 1.50% of average monthly compensation times years of credited service at retirement; or
 - B. \$4.00 per month for each year of credited service as of June 30, 1997; or
 - C. the participant's accrued benefit under the prior plan as of June 30, 1987.
- plus
- D. Any net increase in the accrued benefit under the Bon Secours Holy Family Regional Health System Retirement Plan as of October 31, 2004, adjusted for post-merger pay increases.

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 23-1352155 / 001

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Plan Provisions

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

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Plan Provisions

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

Schedule A:

<u>Years of Vesting Service</u>	<u>Vested %</u>
Less than five	0%
Five years of service	100%

Schedule B:

<u>Age & Service</u>	<u>Vested %</u>
Less than 45	0%
45 but less than 47	50%
47 but less than 49	60%
49 but less than 51	70%
51 but less than 53	80%
53 but less than 55	90%
55 or more	100%

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

SB Actuary Signature

**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 07/01/2013 and ending 06/30/2014

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

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

A Name of plan Retirement Plan for Employees of the Altoona Regional Health System	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 UPMC Altoona	D Employer Identification Number (EIN) 23-1352155
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>7</u> Day <u>1</u> Year <u>2013</u>																											
2 Assets:																											
a Market value	2a	219,360,965																									
b Actuarial value	2b	218,729,374																									
3 Funding target/participant count breakdown:	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th style="text-align: center;">(1) Number of participants</th> <th style="text-align: center;">(2) Funding Target</th> </tr> <tr> <td>a For retired participants and beneficiaries receiving payment.....</td> <td style="text-align: center;">3a 816</td> <td style="text-align: right;">71,667,740</td> </tr> <tr> <td>b For terminated vested participants.....</td> <td style="text-align: center;">3b 895</td> <td style="text-align: right;">31,097,595</td> </tr> <tr> <td>c For active participants:</td> <td></td> <td></td> </tr> <tr> <td> (1) Non-vested benefits</td> <td style="text-align: center;">3c(1)</td> <td style="text-align: right;">207,688</td> </tr> <tr> <td> (2) Vested benefits</td> <td style="text-align: center;">3c(2)</td> <td style="text-align: right;">100,937,968</td> </tr> <tr> <td> (3) Total active.....</td> <td style="text-align: center;">3c(3) 1,816</td> <td style="text-align: right;">101,145,656</td> </tr> <tr> <td>d Total.....</td> <td style="text-align: center;">3d 3,527</td> <td style="text-align: right;">203,910,991</td> </tr> </table>				(1) Number of participants	(2) Funding Target	a For retired participants and beneficiaries receiving payment.....	3a 816	71,667,740	b For terminated vested participants.....	3b 895	31,097,595	c For active participants:			(1) Non-vested benefits	3c(1)	207,688	(2) Vested benefits	3c(2)	100,937,968	(3) Total active.....	3c(3) 1,816	101,145,656	d Total.....	3d 3,527	203,910,991
	(1) Number of participants	(2) Funding Target																									
a For retired participants and beneficiaries receiving payment.....	3a 816	71,667,740																									
b For terminated vested participants.....	3b 895	31,097,595																									
c For active participants:																											
(1) Non-vested benefits	3c(1)	207,688																									
(2) Vested benefits	3c(2)	100,937,968																									
(3) Total active.....	3c(3) 1,816	101,145,656																									
d Total.....	3d 3,527	203,910,991																									
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	6.76 %																									
6 Target normal cost	6	8,688,424																									

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

Alvin K. Winters

Type or print name of actuary

CBIZ

Firm name

44 Baltimore Street

Cumberland

MD 21502

Address of the firm

04/14/2015

Date

14-06620

Most recent enrollment number

(301) 777-1500

Telephone number (including area code)

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

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

**Schedule SB (Form 5500) 2013
v. 130118**

SB Actuary Signature

Schedule SB (Form 5500) 2013 130118

Page 2 -

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	2,835,474
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	2,835,474
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>10.87</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		66,198,262
b Interest on (a) using prior year's effective interest rate of <u>7.09</u> % except as otherwise provided (see instructions)		4,800,638
c Total available at beginning of current plan year to add to prefunding balance		70,998,900
d Portion of (c) to be added to prefunding balance		70,998,900
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	70,998,900

Part III Funding Percentages

14 Funding target attainment percentage	14	72.44 %
15 Adjusted funding target attainment percentage	15	107.26 %
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	128.85 %
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
03/13/2015	66,624,000				
Totals ►			18(b)	66,624,000	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	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	59,617,678

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

SB Actuary Signature

Schedule SB (Form 5500) 2013 130118

Page 3

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

21	Discount rate:					
	a Segment rates:	1st segment: 5.23 %	2nd segment: 6.51 %	3rd segment: 7.16 %	☐ N/A, full yield curve used	
	b Applicable month (enter code).....				21b	4
22	Weighted average retirement age				22	67
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute					

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31	Target normal cost and excess assets (see instructions):		
	a Target normal cost (line 6).....	31a	8,688,424
	b Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
	a Net shortfall amortization installment.....	56,180,517	10,730,413
	b Waiver amortization installment	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	19,418,837
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement.....	0	0
36	Additional cash requirement (line 34 minus line 35).....	36	19,418,837
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	59,617,678
38	Present value of excess contributions for current year (see instructions)		
	a Total (excess, if any, of line 37 over line 36)	38a	40,198,841
	b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40	Unpaid minimum required contributions for all years	40	0

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

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

SB Actuary Signature

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

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

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

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

EIN/PN: 23-1352155 / 001

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Actuarial Assumptions

Funding Method: Traditional Unit Credit

Actuarial Assumptions:

Pre-retirement for Retirement and Spousal Benefits:

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

	<u>For IRC 404</u>	<u>For IRC 430 and 436</u>
First Segment	1.54%	5.23%
Second Segment	4.28%	6.51%
Third Segment	5.32%	7.16%

Mortality: 2013 Static Mortality for non-annuitants

Turnover: Non-Bargaining unit employees - T8 table
Bargaining unit employees - T4 table

Salary Scale: 3.00% per year

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

Post-retirement for Retirement Benefits:

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

	<u>For IRC 404</u>	<u>For IRC 430 and 436</u>
First Segment	1.54%	5.23%
Second Segment	4.28%	6.51%
Third Segment	5.32%	7.16%

Mortality: 2013 Static Mortality for annuitants

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

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

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

Expenses: Expense of \$622,000 has been loaded in Target Normal Cost

Effective Rate of Interest: 6.76%

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 23-1352155 / 001

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Plan Provisions

Effective Date: July 1, 1963

Plan Year: July 1 through June 30

Eligibility:

Minimum Age: None

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

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

Excluded: Any employee covered under another retirement plan sponsored by UPMC, as well as any person employed for the first time by UPMC after June 30, 2008 or any person rehired by UPMC after June 30, 2008.

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

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

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

- A. 1.50% of average monthly compensation times years of credited service at retirement; or
- B. \$4.00 per month for each year of credited service as of June 30, 1997; or
- C. the participant's accrued benefit under the prior plan as of June 30, 1987.

plus

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

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 23-1352155 / 001

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Plan Provisions

Special Minimum Benefit: With respect to an employee who was a participant in the prior plan on June 30, 1986, and who had attained age 55, or older, and completed ten or more years of credited service as of such date; such participant's benefit shall not be less than that calculated under the plan as in effect on June 30, 1986, based on compensation and credited service as of the date of determination or June 30, 1989; whichever is earlier.

Credited Service: A year of benefit service is credited for each plan year in which the employee completed 1,560 or more hours of service. Partial credit of 1/3 year is given for each plan year in which the employee completed between 1,000 and 1,559 hours of service.

A year of vesting service is credited for each plan year in which the employee completed 1,000 or more hours of service. Service prior to January 1, 1966 is excluded for vesting purposes. Employees excluded for benefit purposes retain vesting credit for the excluded period if their status changes.

Partial service credit is given for accrual purposes for any plan year in which the employee completes less than 1,000 hours of service.

Hours worked are determined by dividing the number of days worked (to a maximum of 30 per month) by 360 and multiplying the result by 2,080.

Normal Form of Benefit: Five-year certain and life annuity or actuarially equivalent joint and 50% spouse survivor annuity.

Compensation: Total compensation, including overtime, flex benefit elections, bonuses and commissions. Final benefits based on the average of the 60 highest consecutive months within the last 120 months preceding the date of determination.

Schedule SB, Part V - Summary of Plan Provisions

EIN/PN: 23-1352155 / 001

**Retirement Plan for Employees of
the Altoona Regional Health System
Actuarial Report for the Plan Year Beginning July 1, 2013**

Summary of Principal Plan Provisions

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

Schedule A:

<u>Years of Vesting Service</u>	<u>Vested %</u>
Less than five	0%
Five years of service	100%

Schedule B:

<u>Age & Service</u>	<u>Vested %</u>
Less than 45	0%
45 but less than 47	50%
47 but less than 49	60%
49 but less than 51	70%
51 but less than 53	80%
53 but less than 55	90%
55 or more	100%

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

SB Actuary Signature

Schedule SB, line 24 - Change in Actuarial Assumptions

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

Previous valuations applied credibility adjustment factors to the data and associated liabilities. After conferring with the plan sponsor, these adjustments were removed.

The assumed age of benefit commencement for deferred vested participants was changed from age 67 to age 65.

SB Actuary Signature

Schedule SB, line 25 - Change in Method

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

The attribution method for determining active liabilities was changed from linear proration to benefit eligibility to accrual rate proration.

Schedule SB, line 26 - Schedule of Active Participant Data
 EIN/PN: 23-1352155 / 001

Retirement Plan for Employees of the Altoona Regional Health System Actuarial Report for the Plan Year Beginning July 1, 2013

Schedule of Active Participant Data

Years of Service

Age	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	1	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	2	0	23	46,319	72	49,369	2	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	5	0	18	0	109	52,616	33	53,731	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	6	0	17	0	85	54,595	50	54,046	28	48,615	0	0	0	0	0	0	0	0	0	0
40 to 44	5	0	10	0	78	51,598	36	58,324	36	63,950	30	52,565	2	0	0	0	0	0	0	0
45 to 49	3	0	7	0	106	56,277	29	66,860	31	56,315	54	55,517	37	57,990	5	0	0	0	0	0
50 to 54	8	0	7	0	92	56,792	16	0	37	65,911	38	55,514	24	69,180	60	53,540	13	0	0	0
55 to 59	7	0	6	0	111	52,019	21	61,026	28	50,000	36	53,446	19	0	46	58,251	71	56,232	5	0
60 to 64	3	0	3	0	73	49,615	12	0	11	0	23	54,404	12	0	20	58,540	27	61,684	32	64,814
65 to 69	4	0	0	0	7	0	3	0	1	0	5	0	3	0	0	0	2	0	6	0
70 & up	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

SB Actuary Signature

SB Actuary Signature

Schedule SB, line 32 - Schedule of Amortization Bases

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

<u>Type of Base</u>	<u>Present Value of Remaining Installment</u>	<u>Valuation Date that Base was Established</u>	<u>Amortization Years Remaining</u>	<u>Amortization Installment</u>
Shortfall	\$1,917,885	7/1/2008	2	\$983,380
Shortfall	(336,369)	7/1/2009	3	(117,885)
Shortfall	7,422,625	7/1/2010	4	1,999,870
Shortfall	5,980,853	7/1/2011	7	1,006,611
Shortfall	(3,419,855)	7/1/2012	6	(650,580)
Shortfall	44,615,378	7/1/2013	7	7,509,017
TOTAL	<u>\$56,180,517</u>			<u>\$10,730,413</u>

Retirement Plan for Employees of the Altoona Regional Health System

EIN 23-1352155 PN 001

Schedule H, Line 4j – Schedule of Reportable Transactions

Year Ended June 30, 2014

Identity	Description	Total Number of Purchases	Total Number of Sales	Purchase Price	Selling Price	Net Gain or (Loss)
Category (i) – Single Transaction in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	-	1	\$ -	\$ 9,801,161	\$ 97,503
Vanguard	Vanguard Institutional Index Cl I	-	1	-	29,192,038	3,820,110
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	13,386,567	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	13,648,260	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	9,088,942	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	18,474,094	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	48,612,057	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	38,491,092	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	55,268,518	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	-	159,952,277	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	12,911,915	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	13,170,000	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	1	-	29,192,038	-	-
Wilmington Trust	U.S. Treasury Money Market Fund Select Shares	-	1	-	29,718,924	-
BNY Mellon	UMPC Master Trust UPMC HS Pension MTU	-	1	159,950,000	-	-
BNY Mellon	UMPC Master Trust UPMC HS Pension MTU	-	1	72,300,000	-	-
Category (iii) – Series of Transactions in Excess of 5% of Plan Assets						
Vanguard	Vanguard Short-Term Inv Grd CL Adml	-	2	\$ -	\$ 9,816,643	\$ 97,488
Vanguard	Vanguard Institutional Index Cl I	-	1	-	29,192,038	3,820,110
M&T Bank	U.S. Treasury Money Market Select Shares	509	267	252,188,623	-	-
				-	257,856,252	-

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

Retirement Plan for Employees of the Altoona Regional Health System Actuarial Report for the Plan Year Beginning July 1, 2013

Summary of Principal Actuarial Assumptions

Funding Method: Traditional Unit Credit

Actuarial Assumptions:

Pre-retirement for Retirement and Spousal Benefits:

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

	<u>For IRC 404</u>	<u>For IRC 430 and 436</u>
First Segment	1.54%	5.23%
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Third Segment	5.32%	7.16%

Mortality: 2013 Static Mortality for non-annuitants

Turnover: Non-Bargaining unit employees - T8 table
Bargaining unit employees - T4 table

Salary Scale: 3.00% per year

Retirement Rates:	<u>Age</u>	<u>Rate</u>
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Post-retirement for Retirement Benefits:

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Mortality: 2013 Static Mortality for annuitants

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

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

Expenses: Expense of \$622,000 has been loaded in Target Normal Cost

Effective Rate of Interest: 6.76%

Retirement Plan for Employees of the Altoona Regional Health System

EIN 23-1352155 PN 001

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

June 30, 2014

Identity of Issuer (a)(b)		Description of Investment (c)	Cost (d)	Current Value (e)
Master Trust	*BNY Mellon	Master Trust Investment Account	\$ 232,049,301	\$ 245,311,245
Mutual Funds	Blackrock	Blackrock Liquidity T-Fund Institutional	750,659	750,659
Total Plan Investments			<u>\$ 232,799,960</u>	<u>\$ 246,061,904</u>

* Indicates party-in-interest as defined by ERISA

Retirement Plan for Employees of the Altoona Regional Health System Actuarial Report for the Plan Year 2010

Years of Service

23

Schedule SB, line 24 - Change in Actuarial Assumptions

EIN: 23-1352155

PN: 001

Plan Name: Retirement Plan for Employees of the Altoona Regional Health System

Previous valuations applied credibility adjustment factors to the data and associated liabilities. After conferring with the plan sponsor, these adjustments were removed.

The assumed age of benefit commencement for deferred vested participants was changed from age 67 to age 65.