

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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2018</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ 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 CHARLES COLE MEMORIAL HOSPITAL</u>	1b Three-digit plan number (PN) ▶	<div style="border: 1px solid black; padding: 2px; display: inline-block;">001</div>	
	1c Effective date of plan <u>01/01/1973</u>		
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>CHARLES COLE MEMORIAL HOSPITAL</u> <u>1001 E. SECOND STREET</u> <u>COUDERSPORT, PA 16915</u>	2b Employer Identification Number (EIN) <u>24-0802108</u>	2c Plan Sponsor's telephone number <u>814-274-9300</u>	2d Business code (see instructions) <u>622000</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2019	JAMES EVENS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 462
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 127 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 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 1I 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
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

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)** ☐ 0 **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ **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 CHARLES COLE MEMORIAL HOSPITAL</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>CHARLES COLE MEMORIAL HOSPITAL</u>	D Employer Identification Number (EIN) <u>24-0802108</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>	
2 Assets:	
a Market value.....	2a <u>21817239</u>
b Actuarial value	2b <u>20966103</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>255</u> (2) Vested Funding Target <u>11617932</u> (3) Total Funding Target <u>11617932</u>
b For terminated vested participants	<u>80</u> <u>2810225</u> <u>2810225</u>
c For active participants	<u>127</u> <u>3419224</u> <u>3462553</u>
d Total	<u>462</u> <u>17847381</u> <u>17890710</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>5.62 %</u>
6 Target normal cost	6 <u>90000</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	
Signature of actuary	<u>10/07/2019</u>
<u>RICHARD MARCHIONE</u>	Date <u>17-08410</u>
Type or print name of actuary	Most recent enrollment number <u>412-402-4500</u>
<u>WILLIS TOWERS WATSON US LLC</u>	Telephone number (including area code)
Firm name	
<u>ONE PPG PLACE</u> <u>SUITE 600</u> <u>PITTSBURGH, PA 15222</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 ☐

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	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>16.31</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		4468364
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.83</u> %		260506
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		4728870
d Portion of (c) to be added to prefunding balance		0
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	0

Part III Funding Percentages

14 Funding target attainment percentage	14	117.18%
15 Adjusted funding target attainment percentage	15	117.18%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	92.51%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	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	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

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

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ 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	90000	
b Excess assets, if applicable, but not greater than line 31a	31b	90000	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0	0	
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	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARLES COLE MEMORIAL HOSPITAL	D Employer Identification Number (EIN) 24-0802108	

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)

BANK OF NEW YORK MELLON

13-5160382

(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?
21 50	TRUSTEE	60164	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WILLIS TOWERS WATSON

53-0181291

(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 50	ACTUARY	58780	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

EXETER TRUST COMPANY

02-0476209

(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 50	BROKER	8658	Yes ☒ No ☐	Yes ☒ No ☐	0	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)

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

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

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

(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
(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
(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
(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
(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
(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:	AMY B. KRAJCI	b EIN:	53-0181291
c Position:	ENROLLED ACTUARY		
d Address:	ONE PPG PLACE SUITE 600 PITTSBURGH, PA 15222	e Telephone:	412-402-4500

Explanation: REASSIGNMENT OF WORK WITHIN WILLIS TOWERS WATSON.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARLES COLE MEMORIAL HOSPITAL	D Employer Identification Number (EIN) 24-0802108	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	5445000	0
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	15799	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	618227	0
(2) U.S. Government securities	1c(2)	1739191	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	352129	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)	3523824	0
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	10332866	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	22027036	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	0	0
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	22027036	0
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(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)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	18647	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(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)		18647
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	64418	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		64418
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-109222	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-109222

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1048919
c Other income.....	2c		138
d Total income. Add all income amounts in column (b) and enter total.....	2d		1022900

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1189304	
(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)		1189304
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)	118944	
(2) Contract administrator fees.....	2i(2)	7643	
(3) Investment advisory and management fees.....	2i(3)	4515	
(4) Other	2i(4)	34188	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		165290
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1354594

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-331694
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		21695342

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.)	4c		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.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	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?	4f		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?	4g		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?	4h		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.)	4i		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.)	4j	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?	4k	X		
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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.	4n			

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

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)
UPMC BASIC RETIREMENT PLAN	25-1423657	333

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
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4168638. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF CHARLES COLE MEMORIAL HOSPITAL		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARLES COLE MEMORIAL HOSPITAL		D Employer Identification Number (EIN) 24-0802108
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 25-1644655		
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 2
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2018 v. 171027		

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**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: _____ % Investment-Grade Debt: _____ % High-Yield Debt: _____ % Real Estate: _____ % Other: _____ %

- 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):

Independent Auditor's Report

Executive Committee
Retirement Plan for Employees of
Charles Cole Memorial Hospital
Coudersport, Pennsylvania

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Retirement Plan for Employees of Charles Cole Memorial Hospital, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, 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 Citizens & Northern Bank, the trustee of the Plan, Exeter Trust Company, a custodian of the Plan, and The Bank of New York Mellon/BNY Mellon, N.A., a 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 the trustee and custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the trustee and custodians as of and for the years ended December 31, 2018 and 2017, that the information provided to the plan administrator by the trustee and custodians is complete and accurate to the best of their knowledge and belief.

Executive Committee
Retirement Plan for Employees of
Charles Cole Memorial Hospital
Page 2

Disclaimer of Opinion

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

Other Matter

The supplemental schedule listed in the table of contents is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the *Employee Retirement Income Security Act of 1974* and is presented for the purpose of additional analysis and is 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 this supplemental schedule.

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 schedule, other than that derived from the information certified by the trustee and custodians, 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

Erie, Pennsylvania
October 10, 2019
Federal Employer Identification Number: 44-0160260

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**
Statements of Net Assets Available for Benefits
December 31, 2018 and 2017

Assets

	<u>2018</u>	<u>2017</u>
Investments, at Fair Value		
Common stocks	\$ -	\$ 3,523,824
Mutual funds	-	2,235,852
Exchange traded funds	-	8,097,014
U.S. Government securities	-	1,739,191
Corporate bonds and notes	-	352,129
Money market funds	-	618,227
	<u>-</u>	<u>16,566,237</u>
Total investments	<u>-</u>	<u>16,566,237</u>
Receivables		
Employer's contribution	-	5,445,000
Accrued income	-	15,799
	<u>-</u>	<u>5,460,799</u>
Total receivables	<u>-</u>	<u>5,460,799</u>
Net Assets Available for Benefits	<u><u>\$ -</u></u>	<u><u>\$ 22,027,036</u></u>

**Retirement Plan for Employees of
Charles Cole Memorial Hospital**
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Investment Income		
Net appreciation in fair value of investments	\$ 939,657	\$ 2,106,165
Interest and dividends	<u>83,243</u>	<u>323,475</u>
Net investment income	1,022,900	2,429,640
Contributions		
Employer	<u>-</u>	<u>5,445,000</u>
Total additions	<u>1,022,900</u>	<u>7,874,640</u>
Deductions		
Benefits paid to participants	1,189,304	1,151,007
Administrative expenses	<u>165,290</u>	<u>329,520</u>
Total deductions	<u>1,354,594</u>	<u>1,480,527</u>
Net Increase (Decrease)	(331,694)	6,394,113
Transfers from Plan	(21,695,342)	-
Net Assets Available for Benefits, Beginning of Year	<u>22,027,036</u>	<u>15,632,923</u>
Net Assets Available for Benefits, End of Year	<u><u>\$ -</u></u>	<u><u>\$ 22,027,036</u></u>

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2018 and 2017

Note 1: Description of the Plan

General

The following description of the Retirement Plan for Employees of Charles Cole Memorial Hospital (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.

The Plan is a noncontributory defined benefit plan covering substantially all employees of Charles Cole Memorial Hospital (Company) and related entities employed prior to January 1, 2003, and provides for retirement, death and disability benefits. The Plan is subject to provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Citizens & Northern Bank is the trustee and a custodian of the Plan. Exeter Trust Company was also a custodian of the Plan through July 2018. The Bank of New York Mellon became a custodian of the Plan during June 2018 through December 31, 2018.

The Company determined that the Plan's formula for benefit accruals was to be frozen as of December 31, 2002 for all employees, so that no employee shall become a participant in the Plan after such date or earn additional credited service. The Company adopted two defined contribution plans as of January 1, 2003.

The Plan merged with the UPMC Basic Retirement Plan. All assets and benefit obligations of the Plan were transferred to the UPMC Basic Retirement Plan on December 31, 2018.

The Plan was administered by the Company's Executive Committee (Committee), which is a committee of the Board of Directors of the Company. The Committee had overall responsibility for the operation and administration of the Plan. The Committee determined the appropriateness of the Plan's investment offerings, monitored investment performance and reported to the Company's Board of Directors.

Contributions

The Company 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 Company's present intention is to make annual contributions in amounts as determined by the Board of Directors based on recommendations by the Plan's actuary. The Plan has met the minimum funding requirements established by ERISA.

The Company had the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. The Retirement Plan for Employees of Charles Cole Memorial Hospital was effectively terminated on December 31, 2018 when it was merged into the UPMC Basic Retirement Plan (the surviving Plan).

Retirement Plan for Employees of Charles Cole Memorial Hospital

Notes to Financial Statements

December 31, 2018 and 2017

Pension Benefits

Eligible participants in the Plan will receive a monthly retirement benefit equal to 1.25% of average monthly earnings multiplied by their credited service. Normal retirement age for Plan benefits is the later of age 65 or the fifth anniversary of the participant's participation in the Plan.

Participants may elect to receive reduced benefits upon early retirement when they reach the age of 55, provided that they have at least 10 years of service with the Company. The standard method accrued benefits are payable is by an annuity over the participant's lifetime or as a qualified joint and one half-survivor annuity. Participants may elect other forms of annuity payments during the 180-day period before payments are to begin.

Death and Disability 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.

Active employees who become totally disabled receive disability benefits that are equal to the accrued benefit determined at the date of disability plus credited service prior to January 1, 2003 that would have been earned under the Plan until normal retirement benefit payments commence.

Vesting

Eligible employees are fully vested upon completion of five years of vesting service.

Revisions

Certain immaterial revisions have been made to the 2017 financial statements for the classification within the fair value hierarchy of the corporate bonds and notes. These revisions did not have a significant impact on the financial statement line items impacted.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

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

Retirement Plan for Employees of Charles Cole Memorial Hospital

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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 assets, liabilities and changes therein, disclosure of contingent assets and liabilities and the actuarial present value of accumulated Plan benefits at the date of the financial statements and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Executive Committee determines the Plan's valuation policies utilizing information provided by its investment advisers, trustee, and custodians. See Note 5 for a discussion of fair value measurements.

Purchases and sales 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 Company or the Plan, at the Company's discretion.

Accumulated Plan Benefits

Accumulated Plan benefits (see Note 7) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to:

- a. Retired or terminated employees or their beneficiaries
- b. Present employees or their beneficiaries

Benefits under the Plan are based on employees' compensation during their last five years of credited service. The accumulated Plan benefits for active employees are based on their average compensation during the five years preceding the valuation date. Accrued benefits under all circumstances (retirement, death, and termination of employment), credited service and earnings

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were frozen as of December 31, 2002. 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.

Transfers Between Fair Value Hierarchy Levels

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the last day of the Plan year.

Note 3: 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) (a U.S. government agency) up to the applicable limitations discussed below
- c. All other vested benefits (that is, 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.

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Note 4: Certification of the Plan Trustee and Custodians

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Citizens & Northern Bank, the Plan's trustee, Exeter Trust Company, a Plan custodian, and The Bank of New York Mellon, a Plan custodian (for only the 2018 Plan year), have certified the following information included in the accompanying financial statements and supplemental schedule is complete and accurate to the best of their knowledge and belief:

- Investments as shown in the statements of net assets available for benefits as of December 31, 2018 and 2017.
- Investment income as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2018 and 2017.
- Investment information included in the schedule of reportable transactions for the year ended December 31, 2018.

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

Note 5: 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. The hierarchy comprises 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 that are significant to the fair value of the assets or liabilities

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Recurring Measurements

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2018 and 2017:

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

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

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

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 December 31, 2017:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2017				
Mutual funds	\$ 2,235,852	\$ 2,235,852	\$ -	\$ -
Money market funds	618,227	618,227	-	-
Exchange traded funds	8,097,014	8,097,014	-	-
Common stocks	3,523,824	3,523,824	-	-
Corporate bonds and notes	352,129	352,129	-	-
U.S. Government securities	1,739,191	-	1,739,191	-
Investments at fair value	\$ 16,566,237	\$ 14,827,046	\$ 1,739,191	\$ -

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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 years ended December 31, 2018 and 2017. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Note 6: Interest in UPMC Health System Pension Master Trust

A portion of the Plan's investments during 2018 was in the UPMC Health System Pension Master Trust, which was established for the investment of assets of the Plan and several other University of Pittsburgh Medical Center Health System (UPMC) sponsored retirement plans. Each participating retirement plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by The Bank of New York Mellon (Custodian).

The value of the Plan's interest in the UPMC Health System Pension Master Trust is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. At December 31, 2018 and 2017, the Plan's interest in the net assets of the Master Trust was 0%, respectively, as the assets were transferred out as a result of the merger into the UPMC Basic Retirement Plan. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon the amount of time the Plan's assets were invested in the Master Trust.

The following are the changes in net assets for the Master Trust for the year ended December 31, 2018. The Plan was not invested in the UPMC Health System Pension Master Trust during the 2017 Plan year.

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	<u>2018</u>
Changes in Net Assets	
Net appreciation in fair value of investments	\$ 462,130
Interest	74,741
Dividends	<u>99,977</u>
Net investment income	636,848
Transfers in	21,752,952
Transfers out	(22,329,636)
Administrative expenses	<u>(60,164)</u>
Increase (Decrease) in net assets	<u><u>\$ -</u></u>
Net Assets	
Beginning of year	<u><u>\$ -</u></u>
End of year	<u><u>\$ -</u></u>

Note 7: Accumulated Plan Benefits

An actuary from Willis Towers Watson 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.

In the 2017 Plan year, the accumulated Plan benefits were presented using the end of the year valuation date. Due to the merger that occurred during the 2018 Plan year, the Plan transitioned to a beginning of the year valuation date. As a result of this transition, the amounts included in the tables below are the same as those that had previously been presented in the prior year financial statements.

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The accumulated Plan benefit information as of the beginning of each Plan year was as follows:

	<u>2018</u>	<u>2017</u>
Actuarial present value of accumulated Plan benefits		
Vested benefits		
Participants receiving payments	\$ 10,260,223	\$ 10,300,379
Active employees	2,843,468	3,243,184
Participants with deferred benefits	<u>2,310,842</u>	<u>2,008,943</u>
	15,414,533	15,552,506
Nonvested benefits	<u>37,000</u>	<u>43,577</u>
Total actuarial present value of accumulated Plan benefits	<u><u>\$ 15,451,533</u></u>	<u><u>\$ 15,596,083</u></u>

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

	<u>2018</u>	<u>2017</u>
Actuarial present value of accumulated Plan benefits, beginning of year	<u>\$ 15,596,083</u>	<u>\$ 15,546,644</u>
Increase (decrease) during the year attributable to		
Actuarial (gain) loss	(120,867)	56,668
Increase for interest due to the decrease in the discount period	1,127,324	1,124,332
Benefits paid	<u>(1,151,007)</u>	<u>(1,131,561)</u>
Net increase (decrease)	<u>(144,550)</u>	<u>49,439</u>
Actuarial present value of accumulated Plan benefits, end of year	<u><u>\$ 15,451,533</u></u>	<u><u>\$ 15,596,083</u></u>

Significant assumptions underlying the actuarial computations are:

- Discount rate and assumed rate of return on investments: 7.50%
- Mortality basis: Based on the 2007 base rates from the RP-2014 “Employees” and “Heathy Annuitants” tables without collar adjustments projected linearly to 2012 to a long-term assumption of 0.8% (grading down linearly to 0.0% from ages 85 to 95).

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- Retirement: Rates varying by age, from 1.2% at 55 to 100% at 62 and older, with an average age of 62.
- Termination: Rates for participants leaving during the year varying by age, from 17.2% at age 25 to 1.2% at age 55.
- Marital percentage: 85% of participants are assumed to be married. Wives are assumed to be three years younger than their husbands.
- Administration expenses: An expense assumption of \$90,000 as of January 1, 2018 and \$260,000 as of January 1, 2017 is included in the target normal cost. This assumption is intended to include expected expenses and PBGC premiums to be paid from the Plan during the year. Expected expenses are based on an average of similar expenses paid from the Plan during prior years.

The assumption for the amount of administration expenses to be incurred was reduced from \$260,000 to \$90,000 for the January 1, 2018 actuarial valuation based upon an expected decline in future administrative expenses resulting from improvement in the funded status of the Plan.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits. The computations of the actuarial present value of accumulated Plan benefits were made as of January 1, 2018 and 2017. Had the valuations been performed as of December 31, there would be no material differences.

Note 8: Related Party and 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% or more of such an employer or employee association, or relatives of such persons.

Prior to the merger into the UPMC Basic Retirement Plan, Citizens & Northern Bank was the trustee and a custodian of the Plan. Certain Plan investments were shares of mutual funds managed by Manning & Napier, the Plan's investment advisor and State Street Bank, a sub-custodian of Exeter Trust Company, a custodian of the Plan. During 2018, the Plan held an investment in a master trust managed by The Bank of New York Mellon, a custodian of the Plan. These transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. The Plan Sponsor pays directly certain other fees related to the Plan's operations.

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The Plan paid trust and management service fees to Citizens & Northern Bank of \$3,500 for 2018 and 2017. Investment advisory and custodian fees paid to Exeter Trust Company were \$8,658 for 2018 and \$81,464 for 2017. Investment advisory and custodian fees paid to The Bank of New York Mellon were \$60,164 for 2018. Actuarial fees paid by the Plan totaled \$58,780 for 2018 and \$30,945 for 2017. PBGC premiums totaled \$34,188 for 2018 and \$213,611 for 2017. The Company provides certain administrative services at no cost to the Plan.

Note 9: Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated May 30, 2014, stating 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.

Note 10: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Possible Decline in Investments

It is reasonably possible that there will be a significant decline in the fair value of investments during the next year which would change the assumed rates of return used to discount the benefit obligation and, therefore, could significantly affect the present value of accumulated Plan benefits.

Note 11: 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.

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

Note 12: Change in Ownership of Plan Sponsor

Effective March 1, 2018, the Company was acquired by UPMC.

Note 13: Subsequent Events

Subsequent events have been evaluated through October 10, 2019, which is the date the financial statements were available to be issued.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2018

Attained Age	Attained Years of Credited Service ¹										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0
35-39	2	5	0	0	0	0	0	0	0	0	7
40-44	3	11	6	0	0	0	0	0	0	0	20
45-49	1	7	5	4	0	0	0	0	0	0	17
50-54	0	10	1	10	2	1	0	0	0	0	24
55-59	2	8	8	3	6	5	0	0	0	0	32
60-64	1	2	4	5	2	8	5	0	0	0	27
65-69	0	0	0	0	0	0	0	0	0	0	0
70 & over	0	0	0	0	0	0	0	0	0	0	0
Total	9	43	24	22	10	14	5	0	0	0	127

¹ Age and service for purposes of determining category are based on exact (not rounded) values.

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SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- Applicable month September 2017
- Interest rate basis 3-Segment Rates

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
■ First segment rate	3.92%	1.75%
■ Second segment rate	5.52%	3.76%
■ Third segment rate	6.29%	4.66%
■ Effective interest rate	5.62%	3.94%

Annual rates of increase

- Compensation N/A
- Future Social Security wage bases N/A
- Statutory limits on compensation N/A

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Demographic Assumptions

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

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

Mortality

■ Healthy Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2033 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2025 using Scale AA)

■ Disabled Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2033 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2025 using Scale AA)

Termination Rates varying by age

Representative Rates

Percentage leaving during the year	
Attained Age	Rate
25	17.2%
40	11.3%
54	2.3%
55	1.2%

Disability Rates varying by age and gender

Representative Rates

Percentage becoming disabled during the year		
Age	Males	Females
25	0.05%	0.02%
40	0.16%	0.32%
55	0.91%	0.81%

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Retirement

Rates varying by age, average age 62

Representative Rates

Percentage retiring during the year	
Age	Rates
55	1.2%
56	0.8%
57	0.5%
58	0.3%
59	0.2%
60	0.1%
61	0.0%
62	100%
63	100%
64	100%
65	100%

Benefit

commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have become eligible for early retirement
- Deferred vested benefit Normal retirement date
- Disability benefit Normal retirement date
- Retirement benefit Upon termination of employment
- In service Upon election, age 62 or later

Form of payment 100% elect a life annuity

Percent married 85%

Spouse age Wife three years younger than husband

Administrative expenses

An expense assumption of \$90,000 is included in the target normal cost. This assumption is intended to include expected expenses and PBGC premiums to be paid from the plan during the year. Expected expenses are based on an average of similar expenses paid from the plan during prior years.

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Loads None

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month.

Methods

Valuation date First day of plan year

Funding target Present value of accrued benefits as required by regulations under IRC §430

Target normal cost Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430

Actuarial value of assets for determining minimum required contributions Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2017 plan year.)

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued All benefits described in the Plan Provisions section of this report were valued based on discussions with Charles Cole Memorial Hospital regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with Charles Cole Memorial Hospital; and, based on that review, is not aware of any significant benefits required to be valued that were not.

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Sources of Data and Other Information

The plan sponsor furnished participant data as of 1/1/2018. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. No data adjustments were made and we are unaware of any data adjustment made by the plan sponsor.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Administrative expenses	Administrative expenses are estimated by determining the expected actual expenses for the coming year, reflecting items like expected PBGC premiums and the actual expenses paid from the trust the preceding year.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Note that the plan sponsor has decided, as allowed by regulation §1.430(h)(3)-1, to delay until the 2019 plan year updating the required mortality table to reflect the RP-2014 study and subsequent Society of Actuaries studies.
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Note that the plan sponsor has decided, as allowed by regulation §1.430(h)(3)-1, to delay until the 2019 plan year updating the required mortality table to reflect the RP-2014 study and subsequent Society of Actuaries studies.
Termination	Termination rates were determined based on experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

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Disability Disability rates were determined based on experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Retirement Retirement rates were determined based on experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

**Benefit commencement date
for deferred benefits:**

- Preretirement death benefit Surviving spouses are assumed to begin benefits at the earliest permitted commencement date because ERISA requires benefits to start then unless the spouse elects to defer.
- Deferred vested benefit Deferred vested participants are assumed to begin benefits at age 65 (or current age if later) because the plan's experience is not considered to be credible, but deferred vested early commencement factors are not subsidized so that the difference between this approach and using assumed commencement rates at earlier ages is not expected to be significant.

Form of payment The percentage of retiring participants assumed to take life annuities is based on observed experience.

Percent married The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.

Spouse age The assumed age difference for spouses is based on general population statistics of the age difference for married individuals of retirement age.

Source of Prescribed Methods

Funding methods The methods used for funding purposes, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

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Changes in Assumptions and Methods

Change in assumptions since prior valuation

- The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2016 to September 2017 and reflect the interest rate corridors of HATFA.
- The required mortality table used to calculate the funding target and funding target normal cost was updated to include one additional year of projected mortality improvements.
- The assumed plan-related expenses added to the target normal cost were changed from \$260,000 to \$90,000.

Change in methods since prior valuation

None

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Schedule H, Line 4j – Schedule of Reportable Transactions Year Ended December 31, 2018

Identity	Description	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Single Transactions in Excess of 5% of Plan Net Assets						
* Manning and Napier	Unconstrained Bond Series S	\$ -	\$ 1,600,497	\$ 1,664,194	\$ 1,600,497	\$ (63,697)
* Manning and Napier	New Pro Blend Extended	7,576,702	-	7,576,702	7,576,702	-
* Manning and Napier	New Pro Blend Extended	8,321,092	-	8,321,092	8,321,092	-
* Manning and Napier	New Pro Blend Extended	-	8,574,343	8,321,092	8,321,092	253,251
* Manning and Napier	New Pro Blend Extended	-	7,807,297	7,576,702	7,576,702	230,595
* State Street Global Advisors	State Street Instl US Gov't Money Mkt	7,893,624	-	7,893,624	7,893,624	-
* State Street Global Advisors	State Street Instl US Gov't Money Mkt	8,091,741	-	8,091,741	8,091,741	-
* State Street Global Advisors	State Street Instl US Gov't Money Mkt	-	8,091,741	8,091,741	8,091,741	-
* State Street Global Advisors	State Street Instl US Gov't Money Mkt	-	7,916,401	7,916,401	7,916,401	-
Vanguard	Vanguard S&P 500 ETF	-	3,009,915	2,834,509	2,834,509	175,406
Series of Transactions in Excess of 5% of Plan Net Assets - Same Security						
* State Street Global Advisors	State Street Interest Bearing Fund	\$ 853,507	\$ -	\$ 853,507	\$ 853,507	\$ -
* State Street Global Advisors	State Street Interest Bearing Fund	-	1,308,514	1,308,514	1,308,514	-
* State Street Global Advisors	State Street Instl US Gov't Money Mkt	15,985,365	-	15,985,365	15,985,365	-
* State Street Global Advisors	State Street Instl US Gov't Money Mkt	-	16,008,142	16,008,142	16,008,142	-
* Manning and Napier	Unconstrained Bond Series S	5,266	-	5,266	5,266	-
* Manning and Napier	Unconstrained Bond Series S	-	1,600,497	1,664,194	1,600,497	(63,697)
* Manning and Napier	New Pro Blend Extended	15,897,794	-	15,897,794	15,897,794	-
* Manning and Napier	New Pro Blend Extended	-	16,381,640	15,897,794	16,381,640	483,846
Vanguard	Vanguard S&P 500 ETF	-	3,150,312	2,962,289	2,962,289	188,023
Vanguard	Vanguard S&P 500 ETF	228,124	-	228,124	228,124	-
Federated	Government Obligations Tax-Managed Fund	1,160,310	-	1,160,310	1,160,310	-
Federated	Government Obligations Tax-Managed Fund	-	1,300,752	1,300,752	1,300,752	-

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

► **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 CHARLES COLE MEMORIAL HOSPITAL	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">B Three-digit plan number (PN) ►</td> <td style="width:40%; text-align: center;">001</td> </tr> <tr> <td colspan="2">D Employer Identification Number (EIN) 24-0802108</td> </tr> </table>	B Three-digit plan number (PN) ►	001	D Employer Identification Number (EIN) 24-0802108	
B Three-digit plan number (PN) ►	001				
D Employer Identification Number (EIN) 24-0802108					
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CHARLES COLE MEMORIAL HOSPITAL					
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B					
F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500					

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>			
2 Assets:			
a Market value.....	2a	21,817,239	
b Actuarial value	2b	20,966,103	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	255	11,617,932	11,617,932
b For terminated vested participants	80	2,810,225	2,810,225
c For active participants	127	3,419,224	3,462,553
d Total	462	17,847,381	17,890,710
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	5.62%	
6 Target normal cost	6	90,000	

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	Richard Marchione <i>RLM</i> Signature of actuary	<i>10-7-2019</i> Date 1708410
	Richard Marchione Type or print name of actuary	Most recent enrollment number 412-402-4500
	Willis Towers Watson US LLC Firm name	Telephone number (including area code)
	One PPG Place Suite 600 Pittsburgh PA 15222 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 ☐

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	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8).....	0	0
10	Interest on line 9 using prior year's actual return of <u>16.31</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year).....		4,468,364
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.83</u> %.....		260,506
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return.....		0
c	Total available at beginning of current plan year to add to prefunding balance		4,728,870
d	Portion of (c) to be added to prefunding balance.....		0
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	0

Part III	Funding Percentages
----------	---------------------

14	Funding target attainment percentage	14	117.18%
15	Adjusted funding target attainment percentage.....	15	117.18%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	92.51%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ►	18(b)	0 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	0

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			4
22 Weighted average retirement age	22			62
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ 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	90,000	
b Excess assets, if applicable, but not greater than line 31a	31b	90,000	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0	0	
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	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Charles Cole Memorial Hospital
EIN/PN	24-0802108/001
Plan Name	Retirement Plan for Employees of Charles Cole Memorial Hospital
Valuation Date	January 1, 2018
Enrolled Actuary	Richard Marchione
Enrollment Number	17-08410

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

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

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2018

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

X	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.012	1,000,000	1.000000	0.012000	0.660000
56	0.008	988,000	0.988000	0.007904	0.442624
57	0.005	980,096	0.980096	0.004900	0.279327
58	0.003	975,196	0.975196	0.002926	0.169684
59	0.002	972,270	0.972270	0.001945	0.114728
60	0.001	970,325	0.970325	0.000970	0.058220
61	0.000	969,355	0.969355	0.000000	0.000000
62	1.000	969,355	0.969355	0.969355	60.100014
Average age at retirement					61.824597
Rounded for Schedule SB line 22					62

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
 EIN / PN: 24-0802108/001
 Plan Sponsor: Charles Cole Memorial Hospital
 Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- Applicable month September 2017
- Interest rate basis 3-Segment Rates

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
■ First segment rate	3.92%	1.75%
■ Second segment rate	5.52%	3.76%
■ Third segment rate	6.29%	4.66%
■ Effective interest rate	5.62%	3.94%

Annual rates of increase

- Compensation N/A
- Future Social Security wage bases N/A
- Statutory limits on compensation N/A

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108/001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

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

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

Mortality

■ Healthy Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2033 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2025 using Scale AA)

■ Disabled Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2033 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2025 using Scale AA)

Termination Rates varying by age

Representative Rates

Percentage leaving during the year	
Attained Age	Rate
25	17.2%
40	11.3%
54	2.3%
55	1.2%

Disability Rates varying by age and gender

Representative Rates

Percentage becoming disabled during the year		
Age	Males	Females
25	0.05%	0.02%
40	0.16%	0.32%
55	0.91%	0.81%

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108/001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Retirement

Rates varying by age, average age 62

Representative Rates

Percentage retiring during the year	
Age	Rates
55	1.2%
56	0.8%
57	0.5%
58	0.3%
59	0.2%
60	0.1%
61	0.0%
62	100%
63	100%
64	100%
65	100%

Benefit

commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have become eligible for early retirement
- Deferred vested benefit Normal retirement date
- Disability benefit Normal retirement date
- Retirement benefit Upon termination of employment
- In service Upon election, age 62 or later

Form of payment 100% elect a life annuity

Percent married 85%

Spouse age Wife three years younger than husband

Administrative expenses

An expense assumption of \$90,000 is included in the target normal cost. This assumption is intended to include expected expenses and PBGC premiums to be paid from the plan during the year. Expected expenses are based on an average of similar expenses paid from the plan during prior years.

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108/001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Loads None

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month.

Methods

Valuation date First day of plan year

Funding target Present value of accrued benefits as required by regulations under IRC §430

Target normal cost Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430

Actuarial value of assets for determining minimum required contributions Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2017 plan year.)

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued All benefits described in the Plan Provisions section of this report were valued based on discussions with Charles Cole Memorial Hospital regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with Charles Cole Memorial Hospital; and, based on that review, is not aware of any significant benefits required to be valued that were not.

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108/001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Sources of Data and Other Information

The plan sponsor furnished participant data as of 1/1/2018. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. No data adjustments were made and we are unaware of any data adjustment made by the plan sponsor.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Administrative expenses	Administrative expenses are estimated by determining the expected actual expenses for the coming year, reflecting items like expected PBGC premiums and the actual expenses paid from the trust the preceding year.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Note that the plan sponsor has decided, as allowed by regulation §1.430(h)(3)-1, to delay until the 2019 plan year updating the required mortality table to reflect the RP-2014 study and subsequent Society of Actuaries studies.
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Note that the plan sponsor has decided, as allowed by regulation §1.430(h)(3)-1, to delay until the 2019 plan year updating the required mortality table to reflect the RP-2014 study and subsequent Society of Actuaries studies.
Termination	Termination rates were determined based on experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108/001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date	January 1, 2018

SCHEDULE SB ATTACHMENTS

Disability	Disability rates were determined based on experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Retirement	Retirement rates were determined based on experience, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Benefit commencement date for deferred benefits:	
■ Preretirement death benefit	Surviving spouses are assumed to begin benefits at the earliest permitted commencement date because ERISA requires benefits to start then unless the spouse elects to defer.
■ Deferred vested benefit	Deferred vested participants are assumed to begin benefits at age 65 (or current age if later) because the plan's experience is not considered to be credible, but deferred vested early commencement factors are not subsidized so that the difference between this approach and using assumed commencement rates at earlier ages is not expected to be significant.
Form of payment	The percentage of retiring participants assumed to take life annuities is based on observed experience.
Percent married	The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.
Spouse age	The assumed age difference for spouses is based on general population statistics of the age difference for married individuals of retirement age.

Source of Prescribed Methods

Funding methods	The methods used for funding purposes, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.
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Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108/001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date	January 1, 2018

SCHEDULE SB ATTACHMENTS

Changes in Assumptions and Methods

**Change in assumptions
since prior valuation**

- The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2016 to September 2017 and reflect the interest rate corridors of HATFA.
- The required mortality table used to calculate the funding target and funding target normal cost was updated to include one additional year of projected mortality improvements.
- The assumed plan-related expenses added to the target normal cost were changed from \$260,000 to \$90,000.

**Change in methods since
prior valuation**

None

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN: 24-0802108/001
Plan Sponsor: Charles Cole Memorial Hospital
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The most recent amended reflected in the following plan provisions was adopted on January 1, 2009. The plan was originally effective January 1, 1973.

Covered employees	Employees of the hospital
Participation date	Age 21 and at least 1,000 hours in any plan year No new participants after December 31, 2002

Definitions

Vesting service	One year for each 1,000-hour calendar year of employment by Charles Cole Memorial Hospital
Pension service	<p>Prior to January 1, 1976: Elapsed time in completed years and months.</p> <p>January 1, 1976 to December 31, 1982: A year of Pension Service is earned for each year an employee completes 1,000 hours of service.</p> <p>January 1, 1983 to December 31, 2002: A year of Pension Service is earned for each year an employee completes 2,080 hours of service. A fraction of a year is earned if the employee completes 1,000 or more hours of service.</p> <p>January 1, 2003 and later: No Pension Service is earned for time worked after December 31, 2002.</p>
Pensionable pay	Basic monthly full-time rate of pay
Average earnings	Average pensionable pay over the five calendar years preceding termination. For terminations after December 31, 2002, average basic pensionable pay over the five calendar years preceding that date.
Normal retirement date (NRD)	Age 65, or after 5 years of vesting service, if later
Monthly pension benefit	1.25% of average monthly earnings times years of credited service

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108/001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date	January 1, 2018

SCHEDULE SB ATTACHMENTS

Monthly preretirement death benefit	50% of the accrued monthly benefit, actuarially adjusted for the joint and 50% survivor payment form and early commencement, if applicable, payable commencing on the earliest date the participant could have retired, to the surviving spouse and continuing for the remaining lifetime of the surviving spouse.
--	--

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Age 55 and age plus service is greater than or equal to 65, or five years of vesting service, if later
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Disability	Permanent and total disability prior to NRD
Preretirement death benefit	Death occurring while: <ul style="list-style-type: none">■ Actively employed with five years of vesting service, or■ Terminated with a vested deferred benefit but before benefit commencement
In-Service commencement	Age 62 or later

Benefits Paid Upon the Following Events

Normal retirement	The monthly pension benefit determined as of NRD
Early retirement	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. The payments are reduced 5/12% for each month retirement precedes age 65.
Postponed retirement	The monthly pension benefit determined as of the actual retirement date

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
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Vested termination	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. Payments may begin when the participant meets the early retirement criteria above, reduced 5/12% for each month retirement precedes age 65.
Disablement	The monthly pension benefit determined as of the date of disablement assuming participant had continued employment to NRD, payable at NRD
Preretirement death	Monthly preretirement death benefit is payable
In-Service commencement	Monthly pension benefit based on retirement eligibility on commencement date

Other Plan Provisions

Forms of payment	Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, a 75% joint and survivor annuity, a ten-year certain and life annuity, a five-year certain and life annuity or (for married participants) a life annuity. Basis for actuarial equivalence is UP-1984 Unisex Mortality Table and 7.00% interest.
Pension Increases	None
Plan participants' contributions	None
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining projection cost but not for determining contributions.

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108/001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date	January 1, 2018

SCHEDULE SB ATTACHMENTS

Future Plan Changes

No future plan changes were recognized in determining the funded target.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

Plan Name:	Retirement Plan for Employees of Charles Cole Memorial Hospital
EIN / PN:	24-0802108/001
Plan Sponsor:	Charles Cole Memorial Hospital
Valuation Date	January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2018

Attained Age	Attained Years of Credited Service ¹										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0
35-39	2	5	0	0	0	0	0	0	0	0	7
40-44	3	11	6	0	0	0	0	0	0	0	20
45-49	1	7	5	4	0	0	0	0	0	0	17
50-54	0	10	1	10	2	1	0	0	0	0	24
55-59	2	8	8	3	6	5	0	0	0	0	32
60-64	1	2	4	5	2	8	5	0	0	0	27
65-69	0	0	0	0	0	0	0	0	0	0	0
70 & over	0	0	0	0	0	0	0	0	0	0	0
Total	9	43	24	22	10	14	5	0	0	0	127

¹ Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Retirement Plan for Employees of Charles Cole Memorial Hospital
 EIN / PN: 24-0802108/001
 Plan Sponsor: Charles Cole Memorial Hospital
 Valuation Date: January 1, 2018

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Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Charles Cole Memorial Hospital
EIN/PN	24-0802108/001
Plan Name	Retirement Plan for Employees of Charles Cole Memorial Hospital
Valuation Date	January 1, 2018
Enrolled Actuary	Richard Marchione
Enrollment Number	17-08410

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

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

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Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2018

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

x	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.012	1,000,000	1.000000	0.012000	0.660000
56	0.008	988,000	0.988000	0.007904	0.442624
57	0.005	980,096	0.980096	0.004900	0.279327
58	0.003	975,196	0.975196	0.002926	0.169684
59	0.002	972,270	0.972270	0.001945	0.114728
60	0.001	970,325	0.970325	0.000970	0.058220
61	0.000	969,355	0.969355	0.000000	0.000000
62	1.000	969,355	0.969355	0.969355	60.100014
Average age at retirement					61.824597
Rounded for Schedule SB line 22					62

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Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The most recent amended reflected in the following plan provisions was adopted on January 1, 2009. The plan was originally effective January 1, 1973.

Covered employees	Employees of the hospital
Participation date	Age 21 and at least 1,000 hours in any plan year No new participants after December 31, 2002

Definitions

Vesting service	One year for each 1,000-hour calendar year of employment by Charles Cole Memorial Hospital
Pension service	<p>Prior to January 1, 1976: Elapsed time in completed years and months.</p> <p>January 1, 1976 to December 31, 1982: A year of Pension Service is earned for each year an employee completes 1,000 hours of service.</p> <p>January 1, 1983 to December 31, 2002: A year of Pension Service is earned for each year an employee completes 2,080 hours of service. A fraction of a year is earned if the employee completes 1,000 or more hours of service.</p> <p>January 1, 2003 and later: No Pension Service is earned for time worked after December 31, 2002.</p>
Pensionable pay	Basic monthly full-time rate of pay
Average earnings	Average pensionable pay over the five calendar years preceding termination. For terminations after December 31, 2002, average basic pensionable pay over the five calendar years preceding that date.
Normal retirement date (NRD)	Age 65, or after 5 years of vesting service, if later
Monthly pension benefit	1.25% of average monthly earnings times years of credited service

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Monthly preretirement death benefit	50% of the accrued monthly benefit, actuarially adjusted for the joint and 50% survivor payment form and early commencement, if applicable, payable commencing on the earliest date the participant could have retired, to the surviving spouse and continuing for the remaining lifetime of the surviving spouse.
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Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Age 55 and age plus service is greater than or equal to 65, or five years of vesting service, if later
Postponed retirement	Retirement after NRD
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Disability	Permanent and total disability prior to NRD
Preretirement death benefit	Death occurring while: <ul style="list-style-type: none">■ Actively employed with five years of vesting service, or■ Terminated with a vested deferred benefit but before benefit commencement
In-Service commencement	Age 62 or later

Benefits Paid Upon the Following Events

Normal retirement	The monthly pension benefit determined as of NRD
Early retirement	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. The payments are reduced 5/12% for each month retirement precedes age 65.
Postponed retirement	The monthly pension benefit determined as of the actual retirement date

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Vested termination	Monthly benefit is equal to the normal retirement benefit based on credited service and average monthly earnings at the date of termination. Payments may begin when the participant meets the early retirement criteria above, reduced 5/12% for each month retirement precedes age 65.
Disablement	The monthly pension benefit determined as of the date of disablement assuming participant had continued employment to NRD, payable at NRD
Preretirement death	Monthly preretirement death benefit is payable
In-Service commencement	Monthly pension benefit based on retirement eligibility on commencement date

Other Plan Provisions

Forms of payment	Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, a 75% joint and survivor annuity, a ten-year certain and life annuity, a five-year certain and life annuity or (for married participants) a life annuity. Basis for actuarial equivalence is UP-1984 Unisex Mortality Table and 7.00% interest.
Pension Increases	None
Plan participants' contributions	None
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining projection cost but not for determining contributions.

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Future Plan Changes

No future plan changes were recognized in determining the funded target.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

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