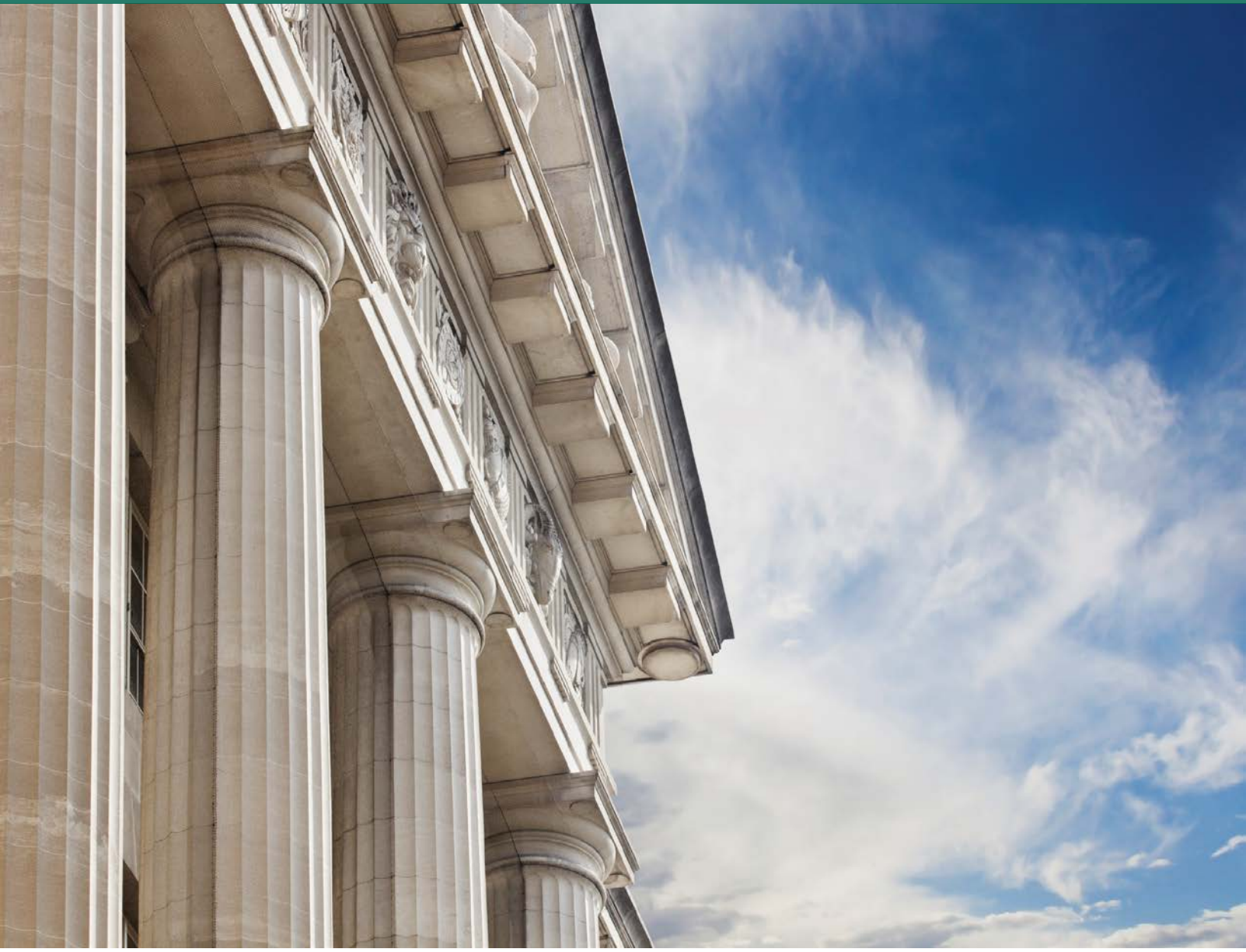




Beaver Valley Geriatric Center Collective Bargaining Unit Employee Retirement Plan

Actuarial Report January 1, 2020





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for

Beaver County Employees' Retirement Board



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I. Valuation Highlights

	<u>January 1, 2019</u>	<u>January 1, 2020</u>
Employer's Contributions	\$ 0	\$ 0
Actuarial Value of Assets	5,922,921	10,305,112
Actuarial Present Value of Accumulated Plan Benefits:		
Vested Benefits *	1,732,852	1,567,646
Non-Vested Benefits	0	0
Total	<u>1,732,852</u>	<u>1,567,646</u>
Active Participants:		
Number	0	0
Pensioners and Beneficiaries:		
Number	129	123
Total Annual Pension	262,164	251,825
Terminated Vested Participants:		
Number	6	6
Total Annual Pension	6,199	6,199

* Does not include employee contributions.

II. Schedules

Schedule A

Plan Assets

Plan Assets December 31, 2019

	<u>Market Value</u>
Cash Equivalents	\$ 332,099.16
Receivables	\$ 20,968.89
Government Securities	\$ 894,256.90
Corporate Bonds	\$ 512,295.04
Common Stock	\$ 3,666,467.91
Equity Mutual Funds	\$ 2,050,922.26
Collateralized Mortgage	\$ 157,665.59
Fixed Income Mutual Funds	\$ 397,570.42
International Stock	\$ 728,743.87
MEPT New Tower	\$ 284,344.81
ERECT Fund II	\$ 635,316.64
Washington Alliance Capital	\$ 203,545.57
iNetworks Opportunity Fund LP	\$ 274,062.26
iNetworks INOF-III Fund	\$ 41,860.42
Draper Triangle	\$ 118,498.43
Payables	\$ (13,506.09)
Assets at Market Value, December 31, 2019	\$ <u>10,305,112.08</u>

Schedule A (cont'd)

Reconciliation of Assets

	<u>Market Value</u>
1. Total Assets December 31, 2018	\$ 5,922,921.17
2. Increases	
(a) Employer Appropriation for 2019	\$ 0.00
(b) Employee Contributions	\$ 0.00
(c) Net Investment Income	\$ 4,649,183.72
(d) Miscellaneous	\$ 21,057.75
(e) Total Increase	\$ 4,670,241.47
3. Decreases	
(a) Refund of Employee Contributions	\$ 0.00
(b) Retirement Allowances Paid	\$ 245,176.50
(c) Death Benefits	\$ 0.00
(d) Administrative Expenses	\$ 9,121.26
(e) Investment Expenses	\$ 33,422.14
(f) Miscellaneous	\$ 330.66
(g) Total Decreases	\$ 288,050.56
4. Total Assets December 31, 2019 (Market Value) (1) + (2e) - (3g)	\$ 10,305,112.08

Actuarial Value of Assets January 1, 2020: The December 31, 2019 market value of assets, \$10,305,112.08 was used as the actuarial value of assets as of January 1, 2020.

Schedule B

Actuarial Balance Sheet January 1, 2020

Assets

Present Assets	
Huntington Trust	\$ 10,305,112.08
Reserve for Future Liabilities	\$ (8,737,466.08)
<i>Total Assets</i>	<u>\$ 1,567,646.00</u>

Liabilities

Actuarial Present Value of Accumulated Plan Benefits	
Vested benefits:	
Retired Participants	\$ 1,513,268.00
Terminated Participants	\$ 54,378.00
Employee Contributions	\$ 0.00
<i>Total Vested Benefits</i>	<u>\$ 1,567,646.00</u>
Non-Vested Benefits:	\$ 0.00
<i>Total Accumulated Benefits</i>	\$ 1,567,646.00
Actuarial Present Value of Future Benefit Accruals	
Active Participants	\$ 0.00
<i>Total Liabilities</i>	<u>\$ 1,567,646.00</u>

Schedule C

Development of Normal Cost January 1, 2020

1. Actuarial Present Value of Projected Benefits:	
(a) Retired Participants and Beneficiaries	\$ 1,513,268.00
(b) Terminated Vested Participants	\$ 54,378.00
(c) Employee Contributions	\$ 0.00
(d) Total	\$ 1,567,646.00
2. Actuarial Value of Assets (See Schedule A)	\$ 10,305,112.08
3. Actuarial Present Value of Future Normal Costs: (1) - (2) (not less than zero)	\$ 0.00
4. Actuarial Present Value of Future Service Years	\$ 0
5. Normal Cost Accrual Rate: (3) / (4)	\$ 0.00
6. Current Number of Active Participants Under Age 60 (Nearest Birthday)	0
7. Total Normal Cost as of January 1, 2020: (5) x (6)	\$ 0.00

Schedule D

Summary of Principal Plan Provisions as of January 1, 2020

1. **Type of Plan** - The Plan is a defined benefit plan.
2. **Effective Date** – The Plan became effective January 21, 1975.
3. **Eligibility for Participation** - All employees as of May 20, 1978 who are members of the Service Employees International Union, Local 585, are eligible.
4. **Definitions**

Plan Year: A Plan Year is a 12-month period beginning on January 1 and ending on December 31.

Credited Service: All service from date of hire to retirement or termination; service credits transferred to the Beaver County Retirement Plan are excluded. Each year during which a participant works 1,000 hours is credited as one year of service.

Accrued Benefit: A monthly benefit for life equal to \$6.20 multiplied by years of Credited Service.

5. **Retirement Benefits**

Normal Retirement

Normal Retirement Date: The first day of the month coincident with or next following a participant's 60th birthday.

Normal Retirement Benefit: A monthly benefit equal to the Accrued Benefit.

Early Retirement

Early Retirement Date: The first day of any month after the participant has both attained age 50 and completed at least 8 Vesting Years.

Early Retirement Benefit: A monthly benefit equal to the Accrued Benefit commencing at age 60, or a reduced monthly benefit beginning the first of any earlier month, with the reduction factor equal 1/180 for each of the first 60 months, and 1/360 for each of the next 60 months that Early Retirement Date precedes the Normal Retirement Date.

Schedule D (cont'd)

Postponed Retirement

Postponed Retirement Date: The first day of any month after the participant's Normal Retirement Date.

Postponed Retirement Benefit: The accrued benefit as of the Postponed Retirement Date.

6. Termination Benefit

Eligibility: Eight years of service.

Termination Benefit: A monthly benefit equal to the Accrued Benefit, commencing at age 60.

7. Death Benefits

Pre-retirement Spouse's Benefit: None

Post-retirement Spouse's Benefit: None, except as provided by the election of an optional form of payment.

8. Disability Benefit

Eligibility: Ten years of service and permanent and total disablement in accordance with the Federal Social Security Act.

Disability Benefit: A monthly benefit equal to 25% of the Accrued Benefit at disablement, commencing the first day of the month following eligibility.

Schedule E

Actuarial Assumptions for Cost Calculations

Interest: 7.5% per annum, compounded annually.

Mortality: 2013 RP Annuitant and Non-Annuitant mortality tables for males.

Withdrawal: Withdrawal rates from Table T-3 of the Actuary's Pension Handbook were assumed. Specimen rates are illustrated below:

<u>Age</u>	<u>Rates of Withdrawal</u>
25	5.3%
30	4.8
35	4.5
40	3.8
45	3.2
50	1.5
55	0.3

Retirement: Active employees were assumed to retire at age 60.

Disability: 1964 OASDI Disability rates for males.

Disabled Life Mortality: Pragmatic Disabled Life Continuance Table.

Asset Valuation Method: Market value.

Actuarial Cost Methods: The Aggregate Actuarial Cost Method was used to determine liabilities and costs related to retirement, termination, death and disability benefits. Under this method, the value of present assets are subtracted from the present value of all future benefit payments. The difference is spread evenly over the future service of all members. This normal cost includes an adjustment for gains and losses due to actuarial experience.

Benefits related to non-vested terminated participants are not valued even though benefits might be reinstated if any such participants are re-hired.

Changes from Prior Valuation: None.