

**Form 5500**Department of the Treasury  
Internal Revenue ServiceDepartment 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**2018****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2018 or fiscal plan year beginning 09/01/2018 and ending 08/31/2019

- 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**

|   |   |
|---|---|
| <b>1a</b> Name of plan<br><u>NEW JERSEY EDUCATION ASSOCIATION HEALTH AND WELFARE BENEFITS TRUST</u>   | <b>1b</b> Three-digit plan number (PN) ▶ <u>502</u>                 |
|   | <b>1c</b> Effective date of plan<br><u>05/05/1998</u>               |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>NEW JERSEY EDUCATION ASSOCIATION</u><br><br><u>180 WEST STATE STREET</u><br><u>P.O. BOX 1211</u><br><u>TRENTON, NJ 08607-1211</u> | <b>2b</b> Employer Identification Number (EIN)<br><u>21-0524390</u> |
|   | <b>2c</b> Plan Sponsor's telephone number<br><u>609-599-4561</u>    |
|   | <b>2d</b> Business code (see instructions)<br><u>611000</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.

|                  |  |                   |  |
|------------------|--|-------------------|--|
| <b>SIGN HERE</b> | <u>Filed with authorized/valid electronic signature.</u> | <u>06/11/2020</u> | <u>MATTHEW DIRADO</u>  |
|                  | <b>Signature of plan administrator</b>                   | Date              | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |  |                   |  |
|                  | <b>Signature of employer/plan sponsor</b>                | Date              | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |  |                   |  |
|                  | <b>Signature of DFE</b>                                  | Date              | Enter name of individual signing as DFE                      |

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

**Form 5500 (2018)**  
v. 171027

|   |   |
|---|---|
| <b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor<br><br>NEW JERSEY EDUCATION ASSOCIATION ATTN MATTHEW DIRADO<br><br>180 W. STATE STREET, P.O. BOX 1211<br>TRENTON, NJ 08607-1211 | <b>3b</b> Administrator's EIN<br>21-0524390<br><br><b>3c</b> Administrator's telephone number<br>609-599-4561 |
|---|---|

|  |                                   |
|--|-----------------------------------|
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name | <b>4b</b> EIN<br><br><b>4d</b> PN |
|--|-----------------------------------|

|   |          |     |
|---|----------|-----|
| <b>5</b> Total number of participants at the beginning of the plan year | <b>5</b> | 498 |
|---|----------|-----|

|  |                  |
|--|------------------|
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). |                  |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....  | <b>6a(1)</b> 247 |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....  | <b>6a(2)</b> 244 |
| <b>b</b> Retired or separated participants receiving benefits.....   | <b>6b</b> 276    |
| <b>c</b> Other retired or separated participants entitled to future benefits .....   | <b>6c</b>        |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....  | <b>6d</b> 520    |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....   | <b>6e</b>        |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....  | <b>6f</b>        |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....  | <b>6g</b>        |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....   | <b>6h</b>        |

|  |          |
|--|----------|
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) ..... | <b>7</b> |
|--|----------|

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:  
 4A 4B 4D 4E 4F 4H

|   |  |
|---|--|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor |
|---|--|

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- (1)  **R** (Retirement Plan Information)
- (2)  **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)  **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- (1)  **H** (Financial Information)
- (2)  **I** (Financial Information – Small Plan)
- (3)  2 **A** (Insurance Information)
- (4)  **C** (Service Provider Information)
- (5)  **D** (DFE/Participating Plan Information)
- (6)  **G** (Financial Transaction Schedules)

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

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**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.

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

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**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 \_\_\_\_\_

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**SCHEDULE A  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Insurance Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

**2018**

**This Form is Open to Public Inspection**

For calendar plan year 2018 or fiscal plan year beginning **09/01/2018** and ending **08/31/2019**

|  |  |  |
|--|--|--|
| <b>A</b> Name of plan<br><b>NEW JERSEY EDUCATION ASSOCIATION HEALTH AND WELFARE BENEFITS TRUST</b>       |  | <b>B</b> Three-digit plan number (PN) ▶ <b>502</b>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>NEW JERSEY EDUCATION ASSOCIATION</b> |  | <b>D</b> Employer Identification Number (EIN)<br><b>21-0524390</b> |

**Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1 Coverage Information:**

**(a)** Name of insurance carrier  
**TRUSTMARK LIFE INSURANCE COMPANY**

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|---|-------------------------|------------|
|            |               |                                       |   | (f) From                | (g) To     |
| 36-3421358 | 62863         | EL706                                 | 480   | 09/01/2018              | 08/31/2019 |

**2 Insurance fee and commission information.** Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|  |   |
|--|---|
| <b>(a)</b> Total amount of commissions paid<br>0 | <b>(b)</b> Total amount of fees paid<br>0 |
|--|---|

**3 Persons receiving commissions and fees.** (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

|                |  |
|----------------|--|
| <b>Part II</b> | <b>Investment and Annuity Contract Information</b><br>Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report. |
|----------------|--|

|  |          |  |
|--|----------|--|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> |  |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....   | <b>5</b> |  |

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

|  |           |  |
|--|-----------|--|
| <b>b</b> Premiums paid to carrier.....   | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year.....   | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1)  individual policies      (2)  group deferred annuity  
(3)  other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1)  deposit administration      (2)  immediate participation guarantee  
(3)  guaranteed investment      (4)  other ▶

|   |                           |              |
|---|---------------------------|--------------|
| <b>b</b> Balance at the end of the previous year.....   | <b>7b</b>                 |              |
| <b>c</b> Additions: (1) Contributions deposited during the year.....<br>(2) Dividends and credits.....<br>(3) Interest credited during the year.....<br>(4) Transferred from separate account.....<br>(5) Other (specify below) .....   | <b>7c(1)</b>              |              |
|   | <b>7c(2)</b>              |              |
|   | <b>7c(3)</b>              |              |
|   | <b>7c(4)</b>              |              |
|   | <b>7c(5)</b>              |              |
| (6) Total additions.....  | <b>7c(6)</b>              | 0            |
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) .....   | <b>7d</b>                 |              |
| <b>e</b> Deductions:<br>(1) Disbursed from fund to pay benefits or purchase annuities during year.....<br>(2) Administration charge made by carrier.....<br>(3) Transferred to separate account.....<br>(4) Other (specify below) ..... | <b>7e(1)</b>              |              |
|   | <b>7e(2)</b>              |              |
|   | <b>7e(3)</b>              |              |
|   | <b>7e(4)</b>              |              |
|   | (5) Total deductions..... | <b>7e(5)</b> |
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) .....   | <b>7f</b>                 |              |

**Part III Welfare Benefit Contract Information**  
 If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** Health (other than dental or vision)     
  **b** Dental     
  **c** Vision     
  **d** Life insurance  
 **e** Temporary disability (accident and sickness)     
  **f** Long-term disability     
  **g** Supplemental unemployment     
  **h** Prescription drug  
 **i** Stop loss (large deductible)     
  **j** HMO contract     
  **k** PPO contract     
  **l** Indemnity contract  
 **m** Other (specify) **▶ ACCIDENTAL DEATH & DISMEMBERMENT**

**9** Experience-rated contracts:

|   |                 |        |         |
|---|-----------------|--------|---------|
| <b>a</b> Premiums: (1) Amount received.....   | <b>9a(1)</b>    | 489926 |         |
| (2) Increase (decrease) in amount due but unpaid.....   | <b>9a(2)</b>    |        |         |
| (3) Increase (decrease) in unearned premium reserve .....   | <b>9a(3)</b>    | 14681  |         |
| (4) Earned ((1) + (2) - (3)).....   | <b>9a(4)</b>    |        | 475245  |
| <b>b</b> Benefit charges (1) Claims paid.....   | <b>9b(1)</b>    | 348725 |         |
| (2) Increase (decrease) in claim reserves.....  | <b>9b(2)</b>    | 22785  |         |
| (3) Incurred claims (add (1) and (2)).....  | <b>9b(3)</b>    |        | 371510  |
| (4) Claims charged.....   | <b>9b(4)</b>    |        | 371510  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --   |                 |        |         |
| (A) Commissions .....   | <b>9c(1)(A)</b> |        |         |
| (B) Administrative service or other fees.....   | <b>9c(1)(B)</b> |        |         |
| (C) Other specific acquisition costs .....  | <b>9c(1)(C)</b> |        |         |
| (D) Other expenses.....   | <b>9c(1)(D)</b> | 72705  |         |
| (E) Taxes .....   | <b>9c(1)(E)</b> | 19370  |         |
| (F) Charges for risks or other contingencies.....   | <b>9c(1)(F)</b> | 11660  |         |
| (G) Other retention charges .....   | <b>9c(1)(G)</b> | -29574 |         |
| (H) Total retention.....  | <b>9c(1)(H)</b> |        | 74161   |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)..... | <b>9c(2)</b>    |        |         |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                               | <b>9d(1)</b>    |        |         |
| (2) Claim reserves .....  | <b>9d(2)</b>    |        | 414428  |
| (3) Other reserves.....   | <b>9d(3)</b>    |        | 1186947 |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....   | <b>9e</b>       |        |         |

**10** Nonexperience-rated contracts:

|  |            |         |
|--|------------|---------|
| <b>a</b> Total premiums or subscription charges paid to carrier .....  | <b>10a</b> | 1101459 |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount..... | <b>10b</b> |         |

Specify nature of costs.

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? .....  Yes  No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|   |  |  |
|---|--|--|
| <p><b>SCHEDULE A</b><br/><b>(Form 5500)</b></p> <p>Department of the Treasury<br/>Internal Revenue Service</p> <hr/> <p>Department of Labor<br/>Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p> | <p><b>Insurance Information</b></p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ <b>File as an attachment to Form 5500.</b></p> <p>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</p> | <p>OMB No. 1210-0110</p> <hr/> <p><b>2018</b></p> <hr/> <p><b>This Form is Open to Public Inspection</b></p> |
|---|--|--|

For calendar plan year 2018 or fiscal plan year beginning **09/01/2018** and ending **08/31/2019**

|  |  |
|--|--|
| <p><b>A</b> Name of plan<br/><b>NEW JERSEY EDUCATION ASSOCIATION HEALTH AND WELFARE BENEFITS TRUST</b></p>       | <p><b>B</b> Three-digit plan number (PN) ▶ <b>502</b></p>                  |
| <p><b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br/><b>NEW JERSEY EDUCATION ASSOCIATION</b></p> | <p><b>D</b> Employer Identification Number (EIN)<br/><b>21-0524390</b></p> |

**Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

**1 Coverage Information:**

**(a)** Name of insurance carrier  
**AETNA LIFE INSURANCE CO.**

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|---|-------------------------|------------|
|            |               |                                       |   | (f) From                | (g) To     |
| 06-6033492 | 60054         | 0285328                               | 520   | 09/01/2018              | 08/31/2019 |

**2 Insurance fee and commission information.** Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|   |  |
|---|--|
| <b>(a)</b> Total amount of commissions paid<br><b>0</b> | <b>(b)</b> Total amount of fees paid<br><b>0</b> |
|---|--|

**3 Persons receiving commissions and fees.** (Complete as many entries as needed to report all persons).

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |



(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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|   |                                 |             |                       |

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|   |                                 |             |                       |

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|---|---------------------------------|-------------|-----------------------|
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|   |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

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| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|---|---------------------------------|-------------|-----------------------|
|   | (c) Amount                      | (d) Purpose |                       |
|   |                                 |             |                       |

|                |  |
|----------------|--|
| <b>Part II</b> | <b>Investment and Annuity Contract Information</b><br>Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report. |
|----------------|--|

|  |          |  |
|--|----------|--|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> |  |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....   | <b>5</b> |  |

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

|  |           |  |
|--|-----------|--|
| <b>b</b> Premiums paid to carrier.....   | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year.....   | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1)  individual policies      (2)  group deferred annuity  
(3)  other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1)  deposit administration      (2)  immediate participation guarantee  
(3)  guaranteed investment      (4)  other ▶

|   |              |   |
|---|--------------|---|
| <b>b</b> Balance at the end of the previous year.....   | <b>7b</b>    |   |
| <b>c</b> Additions: (1) Contributions deposited during the year.....<br>(2) Dividends and credits.....<br>(3) Interest credited during the year.....<br>(4) Transferred from separate account.....<br>(5) Other (specify below) ..... | <b>7c(1)</b> |   |
|   | <b>7c(2)</b> |   |
|   | <b>7c(3)</b> |   |
|   | <b>7c(4)</b> |   |
|   | <b>7c(5)</b> |   |
| (6) Total additions.....  | <b>7c(6)</b> | 0 |
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) .....   | <b>7d</b>    |   |
| <b>e</b> Deductions:<br>(1) Disbursed from fund to pay benefits or purchase annuities during year.....<br>(2) Administration charge made by carrier .....   | <b>7e(1)</b> |   |
|   | <b>7e(2)</b> |   |
|   | <b>7e(3)</b> |   |
|   | <b>7e(4)</b> |   |
| (5) Total deductions.....   | <b>7e(5)</b> | 0 |
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) .....   | <b>7f</b>    |   |

**Part III Welfare Benefit Contract Information**  
 If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a**  Health (other than dental or vision)
- b**  Dental
- c**  Vision
- d**  Life insurance
- e**  Temporary disability (accident and sickness)
- f**  Long-term disability
- g**  Supplemental unemployment
- h**  Prescription drug
- i**  Stop loss (large deductible)
- j**  HMO contract
- k**  PPO contract
- l**  Indemnity contract
- m**  Other (specify) ▶

**9** Experience-rated contracts:

|   |                 |                 |
|---|-----------------|-----------------|
| <b>a</b> Premiums: (1) Amount received.....   | <b>9a(1)</b>    |                 |
| (2) Increase (decrease) in amount due but unpaid.....   | <b>9a(2)</b>    |                 |
| (3) Increase (decrease) in unearned premium reserve .....   | <b>9a(3)</b>    |                 |
| (4) Earned ((1) + (2) - (3)).....   |                 | <b>9a(4)</b>    |
| <b>b</b> Benefit charges (1) Claims paid.....   | <b>9b(1)</b>    |                 |
| (2) Increase (decrease) in claim reserves.....  | <b>9b(2)</b>    |                 |
| (3) Incurred claims (add (1) and (2)).....  |                 | <b>9b(3)</b>    |
| (4) Claims charged.....   |                 | <b>9b(4)</b>    |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --   |                 |                 |
| (A) Commissions .....   | <b>9c(1)(A)</b> |                 |
| (B) Administrative service or other fees.....   | <b>9c(1)(B)</b> |                 |
| (C) Other specific acquisition costs .....  | <b>9c(1)(C)</b> |                 |
| (D) Other expenses.....   | <b>9c(1)(D)</b> |                 |
| (E) Taxes .....   | <b>9c(1)(E)</b> |                 |
| (F) Charges for risks or other contingencies.....   | <b>9c(1)(F)</b> |                 |
| (G) Other retention charges .....   | <b>9c(1)(G)</b> |                 |
| (H) Total retention.....  |                 | <b>9c(1)(H)</b> |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)..... |                 | <b>9c(2)</b>    |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                               |                 | <b>9d(1)</b>    |
| (2) Claim reserves .....  |                 | <b>9d(2)</b>    |
| (3) Other reserves.....   |                 | <b>9d(3)</b>    |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....   |                 | <b>9e</b>       |

**10** Nonexperience-rated contracts:

|  |            |        |
|--|------------|--------|
| <b>a</b> Total premiums or subscription charges paid to carrier .....  | <b>10a</b> | 746103 |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount..... | <b>10b</b> |        |

Specify nature of costs.

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? .....  Yes  No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

**SCHEDULE C  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Service Provider Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2018**

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

For calendar plan year 2018 or fiscal plan year beginning **09/01/2018** and ending **08/31/2019**

|  |  |            |
|--|--|------------|
| <b>A</b> Name of plan<br><b>NEW JERSEY EDUCATION ASSOCIATION HEALTH AND WELFARE BENEFITS TRUST</b>       | <b>B</b> Three-digit plan number (PN) ▶                            | <b>502</b> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>NEW JERSEY EDUCATION ASSOCIATION</b> | <b>D</b> Employer Identification Number (EIN)<br><b>21-0524390</b> |            |

**Part I Service Provider Information (see instructions)**

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

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

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

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

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

**SEI INVESTMENT MANAGEMENT CORP**

**04-2452803**

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

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

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

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

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

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

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

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

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

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

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**(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)

BENISTAR ADMIN SERVICES

06-1490687

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50                  | NONE  | 1626650  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

CONTINENTAL BENEFITS, LLC

38-3919227

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 13 50               | NONE  | 952527   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

SEI INVESTMENTS COMPANY

23-1707341

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 28                     |   | 208035   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**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)

GALLAGHER BENEFITS SERVICES, INC.

36-4291971

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 22 53                  | NONE  | 90751  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  | 15075   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

QUANTUM HEALTH INC

20-8423895

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50                  | NONE  | 101739   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

COORDINATED CARE PROGRAMS, LLC

1099 JAY STREET - BUILDING J  
ROCHESTER, NY 14611

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50                  | NONE  | 81583  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**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)

WELLS FARGO BANK, NA

94-1347393

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 19 50                  | NONE  | 49017  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

DELTA DENTAL OF NEW JERSEY

22-1896118

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50                  | NONE  | 18194  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

VISION SERVICE PLAN

06-1227840

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50                  | NONE  | 17334  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |



**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)

EXPRESS SCRIPTS INC

43-1420563

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 50                  | NONE  | 11874  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>   |   | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

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

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

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

**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<br>(see instructions) | (c) Enter amount of indirect compensation |
|---|---|---|
| GALLAGHER BENEFITS SERVICES, INC.                       | 22 53                                   | 15075                                     |

| (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. |  |
|---|--|--|
| BENISTAR GROUP RETIREE HEALTH<br><br>06-1490685                     | COMMISSIONS  |  |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(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<br>(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.

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

**SCHEDULE H  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Financial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2018**

**This Form is Open to Public Inspection**

For calendar plan year 2018 or fiscal plan year beginning **09/01/2018** and ending **08/31/2019**

|  |  |            |
|--|--|------------|
| <b>A</b> Name of plan<br><b>NEW JERSEY EDUCATION ASSOCIATION HEALTH AND WELFARE BENEFITS TRUST</b>       | <b>B</b> Three-digit plan number (PN) ▶                            | <b>502</b> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>NEW JERSEY EDUCATION ASSOCIATION</b> | <b>D</b> Employer Identification Number (EIN)<br><b>21-0524390</b> |            |

**Part I Asset and Liability Statement**

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

| <b>Assets</b>   |                 | <b>(a) Beginning of Year</b> | <b>(b) End of Year</b> |
|---|-----------------|------------------------------|------------------------|
| <b>a</b> Total noninterest-bearing cash .....   | <b>1a</b>       |                              |                        |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                              |                        |
| <b>(1)</b> Employer contributions.....  | <b>1b(1)</b>    |                              |                        |
| <b>(2)</b> Participant contributions.....   | <b>1b(2)</b>    |                              |                        |
| <b>(3)</b> Other.....   | <b>1b(3)</b>    | 132480                       | 138448                 |
| <b>c</b> General investments:   |                 |                              |                        |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....   | <b>1c(1)</b>    | 571175                       | 590546                 |
| <b>(2)</b> U.S. Government securities .....   | <b>1c(2)</b>    |                              |                        |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                              |                        |
| <b>(A)</b> Preferred .....  | <b>1c(3)(A)</b> |                              |                        |
| <b>(B)</b> All other.....   | <b>1c(3)(B)</b> |                              |                        |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                              |                        |
| <b>(A)</b> Preferred .....  | <b>1c(4)(A)</b> |                              |                        |
| <b>(B)</b> Common.....  | <b>1c(4)(B)</b> |                              |                        |
| <b>(5)</b> Partnership/joint venture interests .....  | <b>1c(5)</b>    |                              |                        |
| <b>(6)</b> Real estate (other than employer real property).....                                   | <b>1c(6)</b>    |                              |                        |
| <b>(7)</b> Loans (other than to participants) .....   | <b>1c(7)</b>    |                              |                        |
| <b>(8)</b> Participant loans.....   | <b>1c(8)</b>    |                              |                        |
| <b>(9)</b> Value of interest in common/collective trusts .....                                    | <b>1c(9)</b>    |                              |                        |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                   | <b>1c(10)</b>   |                              |                        |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                              |                        |
| <b>(12)</b> Value of interest in 103-12 investment entities.....                                  | <b>1c(12)</b>   |                              |                        |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 79904625                     | 89783179               |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                              |                        |
| <b>(15)</b> Other.....  | <b>1c(15)</b>   |                              |                        |

|                    |  | (a) Beginning of Year | (b) End of Year   |
|--------------------|--|-----------------------|-------------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                   |
| (1)                | Employer securities .....  | <b>1d(1)</b>          |                   |
| (2)                | Employer real property .....                                     | <b>1d(2)</b>          |                   |
| <b>e</b>           | Buildings and other property used in plan operation .....        | <b>1e</b>             |                   |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | <b>1f</b>             | 80608280 90512173 |
| <b>Liabilities</b> |  |                       |                   |
| <b>g</b>           | Benefit claims payable .....                                     | <b>1g</b>             | 1671074 1726034   |
| <b>h</b>           | Operating payables .....   | <b>1h</b>             |                   |
| <b>i</b>           | Acquisition indebtedness .....                                   | <b>1i</b>             |                   |
| <b>j</b>           | Other liabilities .....  | <b>1j</b>             |                   |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b>             | 1671074 1726034   |
| <b>Net Assets</b>  |  |                       |                   |
| <b>l</b>           | Net assets (subtract line 1k from line 1f) .....                 | <b>1l</b>             | 78937206 88786139 |

**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.

|               |  | (a) Amount      | (b) Total |
|---------------|--|-----------------|-----------|
| <b>Income</b> |  |                 |           |
| <b>a</b>      | <b>Contributions:</b>  |                 |           |
| (1)           | Received or receivable in cash from: <b>(A)</b> Employers .....                                      | <b>2a(1)(A)</b> | 25193151  |
|               | <b>(B)</b> Participants .....  | <b>2a(1)(B)</b> | 25885     |
|               | <b>(C)</b> Others (including rollovers) .....  | <b>2a(1)(C)</b> |           |
| (2)           | Noncash contributions .....  | <b>2a(2)</b>    |           |
| (3)           | Total contributions. Add lines <b>2a(1)(A), (B), (C)</b> , and line <b>2a(2)</b> .....               | <b>2a(3)</b>    | 25219036  |
| <b>b</b>      | <b>Earnings on investments:</b>  |                 |           |
| (1)           | Interest:  |                 |           |
|               | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | <b>2b(1)(A)</b> | 11892     |
|               | <b>(B)</b> U.S. Government securities .....  | <b>2b(1)(B)</b> |           |
|               | <b>(C)</b> Corporate debt instruments .....  | <b>2b(1)(C)</b> |           |
|               | <b>(D)</b> Loans (other than to participants) .....  | <b>2b(1)(D)</b> |           |
|               | <b>(E)</b> Participant loans .....   | <b>2b(1)(E)</b> |           |
|               | <b>(F)</b> Other .....   | <b>2b(1)(F)</b> |           |
|               | <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | <b>2b(1)(G)</b> | 11892     |
| (2)           | Dividends: <b>(A)</b> Preferred stock .....  | <b>2b(2)(A)</b> |           |
|               | <b>(B)</b> Common stock .....  | <b>2b(2)(B)</b> |           |
|               | <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                            | <b>2b(2)(C)</b> | 1605874   |
|               | <b>(D)</b> Total dividends. Add lines <b>2b(2)(A), (B), and (C)</b> .....                            | <b>2b(2)(D)</b> | 1605874   |
| (3)           | Rents .....  | <b>2b(3)</b>    |           |
| (4)           | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                               | <b>2b(4)(A)</b> | 16877539  |
|               | <b>(B)</b> Aggregate carrying amount (see instructions) .....  | <b>2b(4)(B)</b> | 16877539  |
|               | <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....            | <b>2b(4)(C)</b> | 0         |
| (5)           | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                       | <b>2b(5)(A)</b> |           |
|               | <b>(B)</b> Other .....   | <b>2b(5)(B)</b> |           |
|               | <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....   | <b>2b(5)(C)</b> |           |

|  |        | (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) |            | -1046634  |
| c Other income.....  | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 25790168  |

**Expenses**

|  |       |          |  |          |
|--|-------|----------|--|----------|
| e Benefit payment and payments to provide benefits:                                  |       |          |  |          |
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 14093904 |  |          |
| (2) To insurance carriers for the provision of benefits .....                        | 2e(2) | 1590279  |  |          |
| (3) Other .....  | 2e(3) |          |  |          |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                         | 2e(4) |          |  | 15684183 |
| 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.....                                |       |          |  |          |
| (2) Contract administrator fees.....   | 2i(2) |          |  |          |
| (3) Investment advisory and management fees.....                                     | 2i(3) | 257052   |  |          |
| (4) Other .....  | 2i(4) |          |  |          |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                  | 2i(5) |          |  | 257052   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |          |  | 15941235 |

**Net Income and Reconciliation**

|  |       |  |         |
|--|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 9848933 |
| l Transfers of assets:                                   |       |  |         |
| (1) To this plan.....                                    | 2l(1) |  |         |
| (2) From this plan.....                                  | 2l(2) |  |         |

**Part III Accountant's Opinion**

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

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

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

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

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

(1) Name: **NOVAK FRANCELLA LLC**

(2) EIN: **61-1436956**

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 |
|---|-----|----|--------|
| <b>c</b> 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  |        |
| <b>d</b> 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  |        |
| <b>e</b> Was this plan covered by a fidelity bond? .....  | 4e  | X  | 500000 |
| <b>f</b> 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  |        |
| <b>g</b> 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  |        |
| <b>h</b> 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  |        |
| <b>i</b> 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  |        |
| <b>j</b> 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  |        |
| <b>k</b> 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  |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....  | 4l  | X  |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....  | 4m  |    |        |
| <b>n</b> 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) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**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 \_\_\_\_\_ (See instructions.)



**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

FINANCIAL STATEMENTS

AUGUST 31, 2019

**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

**FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION**

**AUGUST 31, 2019 AND 2018**

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## INDEPENDENT AUDITOR'S REPORT

To the Executive Committee of the  
New Jersey Education Association

We have audited the accompanying financial statements of the New Jersey Education Association Health and Welfare Benefits Plan (the Plan), which comprise the statements of benefit obligations and net assets available for benefits and as of August 31, 2019 and 2018, and the related statements of changes in benefit obligations and 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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of New Jersey Education Association Health and Welfare Benefits Plan as of August 31, 2019 and 2018, and the changes in its financial status for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Report on Supplemental Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets Held at End of Year and the Schedule of Reportable Transactions, together referred to as “supplemental information,” are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended. Supplemental information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Novak Francella LLC*

Bala Cynwyd, Pennsylvania  
June 5, 2020

**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

**STATEMENTS OF BENEFIT OBLIGATIONS AND  
NET ASSETS AVAILABLE FOR BENEFITS**

AUGUST 31, 2019 AND 2018

|   | 2019                  | 2018                  |
|---|-----------------------|-----------------------|
| <b>BENEFIT OBLIGATIONS</b>  |                       |                       |
| AMOUNTS CURRENTLY PAYABLE TO OR FOR<br>PARTICIPANTS, BENEFICIARIES AND DEPENDENTS |                       |                       |
| Insurance premiums and claims payable   | \$ 1,726,034          | \$ 1,671,074          |
| Total benefit obligations other than<br>postretirement benefit obligations        | 1,726,034             | 1,671,074             |
| POSTRETIREMENT BENEFIT OBLIGATIONS  |                       |                       |
| Current retirees, beneficiaries and dependents                                    | 131,874,980           | 100,479,983           |
| Other participants fully eligible for benefits                                    | 44,453,777            | 41,275,786            |
| Other participants not fully eligible for benefits                                | 68,366,342            | 52,801,081            |
| Total postretirement benefit obligations  | 244,695,099           | 194,556,850           |
| Total benefit obligations   | 246,421,133           | 196,227,924           |
| <b>NET ASSETS AVAILABLE FOR BENEFITS</b>  |                       |                       |
| ASSETS  |                       |                       |
| Investments - at fair value   |                       |                       |
| Fixed income mutual funds   | 16,580,301            | 16,678,145            |
| Equity mutual funds   | 33,578,313            | 50,059,246            |
| International mutual funds  | 30,676,481            | 13,167,234            |
| Balanced mutual funds   | 8,948,084             | -                     |
| Money market mutual fund  | 590,546               | 571,175               |
| Total investments   | 90,373,725            | 80,475,800            |
| Receivables   |                       |                       |
| Accrued investment income   | 1,225                 | 1,041                 |
| Total receivables   | 1,225                 | 1,041                 |
| Prepaid expenses  | 137,223               | 131,439               |
| Total assets  | 90,512,173            | 80,608,280            |
| NET ASSETS AVAILABLE FOR BENEFITS   | 90,512,173            | 80,608,280            |
| <b>EXCESS OF BENEFIT OBLIGATIONS OVER NET ASSETS<br/>AVAILABLE FOR BENEFITS</b>   | <b>\$ 155,908,960</b> | <b>\$ 115,619,644</b> |

**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

**STATEMENTS OF CHANGES IN BENEFIT OBLIGATIONS AND  
NET ASSETS AVAILABLE FOR BENEFITS**

YEARS ENDED AUGUST 31, 2019 AND 2018

|   | 2019        | 2018         |
|---|-------------|--------------|
| <b>NET CHANGE IN BENEFIT OBLIGATIONS</b>  |             |              |
| INCREASE DURING THE YEAR ATTRIBUTABLE<br>TO CHANGES IN INSURANCE PREMIUMS AND<br>CLAIMS PAYABLE | \$ 54,960   | \$ 1,126,284 |
| <b>POSTRETIREMENT BENEFIT OBLIGATIONS</b>   |             |              |
| Increase (decrease) during the year attributable to   |             |              |
| Service cost  | 5,492,117   | 7,604,022    |
| Interest cost   | 7,936,562   | 8,457,909    |
| Amendments  | -           | (22,886,933) |
| Actuarial (gain) loss   | 42,483,998  | (10,318,411) |
| Benefits paid   | (5,774,428) | (5,877,650)  |
|   | 50,138,249  | (23,021,063) |
| <b>NET INCREASE (DECREASE) IN BENEFIT OBLIGATIONS</b>   | 50,193,209  | (21,894,779) |
| <b>NET CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS</b>  |             |              |
| <b>ADDITIONS</b>  |             |              |
| Investment income   |             |              |
| Net appreciation (depreciation) in fair value of investments                                    | (1,046,634) | 6,636,683    |
| Interest and dividends  | 1,617,766   | 1,813,114    |
|   | 571,132     | 8,449,797    |
| Less: investment expenses   | (208,035)   | (114,489)    |
| Net investment income   | 363,097     | 8,335,308    |
| Employer contributions  | 25,193,151  | 14,973,531   |
| Employee contributions  | 25,885      | 39,729       |
| Total additions   | 25,582,133  | 23,348,568   |
| <b>DEDUCTIONS</b>   |             |              |
| Cost of benefits  |             |              |
| Insured and self-funded benefits paid<br>to insurance companies                                 | 15,001,762  | 14,682,202   |
| Self-funded benefits paid to retirees   | 627,461     | 587,584      |
| Total cost of benefits  | 15,629,223  | 15,269,786   |
| Administrative expenses   | 49,017      | 82,628       |
| Total deductions  | 15,678,240  | 15,352,414   |
| <b>NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS</b>  | 9,903,893   | 7,996,154    |

|   | <u>2019</u>           | <u>2018</u>           |
|---|-----------------------|-----------------------|
| <b>EXCESS OF BENEFIT OBLIGATIONS OVER NET ASSETS<br/>AVAILABLE FOR BENEFITS</b> |                       |                       |
| NET INCREASE (DECREASE)   | \$ 40,289,316         | \$ (29,890,933)       |
| EXCESS  |                       |                       |
| Beginning of year   | <u>115,619,644</u>    | <u>145,510,577</u>    |
| End of year   | <u>\$ 155,908,960</u> | <u>\$ 115,619,644</u> |

**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

AUGUST 31, 2019 AND 2018

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Method of Accounting** - The financial statements are prepared using the accrual basis of accounting.

**Investments and Income Recognition Policy** - Investments in the fixed income, equity, and international mutual funds are carried at fair value as provided by the Trustee, based on the net asset value of the mutual funds as of the last business day of the year. The money market mutual fund is carried at cost, which approximates fair value. Purchase and sales of securities are recorded on a trade-date basis. Interest income is recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as as held during the year.

**Pharmacy and Rebates** - Refunds due from the Plan's Pharmacy Benefit Manager (PBM) are recorded when earned. Refunds due as of the financial statement date has been reported as a receivable to the extent this information is available, with the offset being netted against prescription claims. No rebates have been paid to the Plan for the years ended August 31, 2019 and 2018.

**Benefit Obligations** - Claims payable and claims incurred but not reported are estimated by management based on actual subsequent benefit payments. Postretirement benefit obligations are estimated by the Plan's consultant, based on the assumptions described in Note 6.

**Cash Concentration** - The Plan places its cash with financial institutions deemed to be credit worthy. Cash balances may at times exceed the insured deposit limits.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.



## **NOTE 2. DESCRIPTION OF PLAN**

New Jersey Education Association Health and Welfare Benefits Plan (the Plan) is a single-employer, defined benefit welfare plan which provides welfare benefits to eligible employees and former employees of the New Jersey Education Association (NJEA). The Plan constitutes an employee welfare benefit plan within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Benefits are provided from the general assets of NJEA, insurance and a trust established pursuant to an agreement entered into by and between Wells Fargo Bank, N.A. (the Trustee) and NJEA on May 5, 1998 (the Trust). The assets of the Trust are derived primarily from employer contributions and the earnings thereon. Trustee administrative fees paid by the Plan to Wells Fargo Bank during the years ended August 31, 2019 and 2018, totaled \$49,017 and \$82,628, respectively.

The welfare benefits provided by the Plan include medical, prescription, vision, dental, disability, life, accidental death and dismemberment benefits, and Medicare B reimbursements. Participants should refer to the summary plan description for more complete information.

As of September 1, 2018, a new plan was offered to the retirees who retired on or after September 1, 2018. As part of the new plan, employees hired after September 1, 2018 will be required to have 20 years of service in order to be eligible for post retirement benefits.

## **NOTE 3. PRIORITIES UPON TERMINATION**

It is the intent of the Plan sponsor to continue the Plan in full force and effect; however, to safeguard against any unforeseen contingencies, the right to discontinue the Plan is reserved to the Plan Sponsor. Upon termination of the Trust, the Trust's assets shall be used to pay benefits and defray administrative expenses of the Plan, and thereafter shall be distributed for the benefit of the Plan's participants. In no event shall the assets revert to the New Jersey Education Association.

## **NOTE 4. TAX STATUS**

The Plan obtained its latest determination letter on October 11, 2000, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements under Section 501(c)(9) of the Internal Revenue Code and was, therefore, exempt from Federal income taxes under the provisions of Section 501(a).

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that, more likely than not, would not be sustained upon examination by U.S. Federal, state, or local taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Typically, plan tax years will remain open for three years; however, this may differ depending upon the circumstances of the Plan.

## NOTE 5. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

### Basis of Fair Value Measurement:

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

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

For the years ended August 31, 2019 and 2018, there were no transfers in or out of levels 1, 2, or 3.

|                            | Fair Value Measurements at August 31, 2019 |                      |             |             |
|----------------------------|--|----------------------|-------------|-------------|
|                            | Total                                      | Level 1              | Level 2     | Level 3     |
| Fixed income mutual funds  | \$ 16,580,301                              | \$ 16,580,301        | \$ -        | \$ -        |
| Equity mutual funds        | 33,578,313                                 | 33,578,313           | -           | -           |
| International mutual funds | 30,676,481                                 | 30,676,481           | -           | -           |
| Balanced mutual funds      | 8,948,084                                  | 8,948,084            | -           | -           |
| Money market mutual fund   | 590,546                                    | 590,546              | -           | -           |
|                            | <u>\$ 90,373,725</u>                       | <u>\$ 90,373,725</u> | <u>\$ -</u> | <u>\$ -</u> |

**NOTE 5. FAIR VALUE MEASUREMENTS (continued)**

|                            | Fair Value Measurements at August 31, 2018 |                      |             |             |
|----------------------------|--|----------------------|-------------|-------------|
|                            | Total                                      | Level 1              | Level 2     | Level 3     |
| Fixed income mutual funds  | \$ 16,678,145                              | \$ 16,678,145        | \$ -        | \$ -        |
| Equity mutual funds        | 50,059,246                                 | 50,059,246           | -           | -           |
| International mutual funds | 13,167,234                                 | 13,167,234           | -           | -           |
| Money market mutual fund   | 571,175                                    | 571,175              | -           | -           |
|                            | <u>\$ 80,475,800</u>                       | <u>\$ 80,475,800</u> | <u>\$ -</u> | <u>\$ -</u> |

**NOTE 6. POSTRETIREMENT BENEFIT OBLIGATIONS**

The amount reported as the postretirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed to participants' service rendered to the date of the financial statements. Postretirement benefits include future benefits expected to be paid to or for currently retired participants and their beneficiaries and dependents, active participants and their beneficiaries and dependents after retirement from service. Prior to an active participant's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributed to that participant's service rendered to the valuation date.

The actuarial present value of the expected postretirement benefit obligation is determined by the Plan's actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

Actuarial valuations of the Plan were made by a consulting actuary as of August 31, 2019 and 2018. Information in the reports included the following:

|  | <u>2019</u> | <u>2018</u> |
|--|-------------|-------------|
| Weighted average assumptions at August 31, |             |             |
| Discount rate                              | 3.00%       | 4.19%       |
| Expected return on plan assets             | 8.00        | 8.00        |
| Rate of compensation increase              | 6.50        | 6.50        |

## Mortality:

2019 - RP-2014 Total Tables (adjusted back to 2006) with generational projection using the 2019 Social Security Administration Intermediate Cost Projections Morality Improvement Scale.

2018 - RP-2014 Total Tables (adjusted back to 2006) with generational projection using the 2018 Social Security Administration Intermediate Cost Projections Morality Improvement Scale.

**NOTE 6. POSTRETIREMENT BENEFIT OBLIGATIONS (continued)**

The following assumptions changed from the prior valuation: The discount rate assumption was changed from 4.19% as of August 31, 2018 to 3.00% as of August 31, 2019. The healthcare cost trend was updated from 6.25% in 2019 decreasing 0.25% per year to an ultimate rate of 5.00% for medical and 5.75% in 2019 decreasing 0.25% per year to an ultimate rate of 5.00% for prescription drug, to the healthcare cost trend shown above. The mortality improvement scale was changed from 2018 SSA projection scale to 2019 SSA projection scale.

The foregoing 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 the postretirement benefit obligation.

The health care cost-trend rate assumption has a significant effect on the amounts reported. If the assumed rate increased by one percentage point, that would increase the obligations as of August 31, 2019 and 2018 by \$45,877,604 and \$35,167,996, respectively.

**NOTE 7. SERVICES AND OTHER EXPENSES PROVIDED BY PLAN SPONSOR**

The New Jersey Education Association, the Plan's sponsor, provides for accounting, actuarial, administrative, clerical, and investment management services. There is no charge to the Plan for these services. Indirect expenses of the Plan, including the portion of the sponsor's personnel costs applicable to the Plan, are also absorbed by the sponsor.

**NOTE 8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500**

The following is a reconciliation of net assets available for benefits as reported on the financial statement to Form 5500:

|   | <u>2019</u>          | <u>2018</u>          |
|---|----------------------|----------------------|
| Net assets available for benefits as reported on the financial statements | \$ 90,512,173        | \$ 80,608,280        |
| Benefit obligations currently payable                                     | <u>(1,726,034)</u>   | <u>(1,671,074)</u>   |
| Net assets available for benefits as reported on Form 5500                | <u>\$ 88,786,139</u> | <u>\$ 78,937,206</u> |

**NOTE 8. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)**

The following is a reconciliation of benefits per the financial statements to Form 5500:

|   | <u>2019</u>          |
|---|----------------------|
| Benefits paid to or for participants per the financial statements | \$ 15,629,223        |
| Add- insurance premiums and claims payable at end of year         | 1,726,034            |
| Less - insurance premiums and claims payable at beginning of year | <u>(1,671,074)</u>   |
| Benefits paid to or for participants per Form 5500                | <u>\$ 15,684,183</u> |

**NOTE 9. RISKS AND UNCERTAINTIES**

The Plan invests in various investments. Investments are exposed to various risks such as economic, interest rate, market, and sector risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statement of net assets available for benefits.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, health care inflation rates, and participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions 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 10. SUBSEQUENT EVENTS**

The Plan has evaluated subsequent events through June 5, 2020, the date the financial statements were available to be issued, and they have been evaluated in accordance with relevant accounting standards.

**NOTE 11. PARTY-IN-INTEREST**

Certain Plan investments are shares of mutual funds managed by SEI Investments and a cash sweep account maintained by Wells Fargo. SEI Investments is the investment consultant and Wells Fargo is the investment custodian. These transactions qualify as party-in-interest transactions. These transactions have been denoted as such on the supplemental schedule of assets held at year end and schedule of reportable transactions.

The transactions above qualify as party-in-interest transactions which are exempt from the prohibited transactions rules and ERISA.

**SUPPLEMENTAL INFORMATION**

**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

**SCHEDULE OF ASSETS HELD AT END OF YEAR**

AUGUST 31, 2019

Form 5500 Schedule H, Item 4i

Plan Number: 502  
EIN: 21-0524390

| (a)   | (b)   | (c)                  |                  |                  | (d)                  | (e)                  |
|---|---|----------------------|------------------|------------------|----------------------|----------------------|
| Issuer, Borrower                                      | Description of Investment Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |                      |                  | Cost             | Current<br>Value     |                      |
|   | Type  | Shares/<br>Principal | Interest<br>Rate | Maturity<br>Date |                      |                      |
|   | <u>Fixed income mutual funds:</u>   |                      |                  |                  |                      |                      |
| * SEI IIT Core Fixed Income Fund                      |   | 1,125,130            |                  |                  | \$ 11,531,931        | \$ 12,038,890        |
| * SEI IIT High Yield Bond Fund                        |   | 521,402              |                  |                  | 4,668,421            | 4,541,411            |
|   | Total fixed income mutual funds   |                      |                  |                  | <u>16,200,352</u>    | <u>16,580,301</u>    |
|   | <u>Equity mutual funds:</u>   |                      |                  |                  |                      |                      |
| * SEI IIT Large Cap Fund                              |   | 757,591              |                  |                  | 15,825,767           | 11,712,352           |
| * SEI IIT Large Cap Index Fund                        |   | 64,436               |                  |                  | 12,836,175           | 11,895,557           |
| * SEI IIT Small Cap II Fund                           |   | 427,551              |                  |                  | 5,715,211            | 4,343,915            |
| * SEI Institutional Managed Trust<br>Real Estate Fund |   | 335,106              |                  |                  | 5,424,353            | 5,626,489            |
|   | Total equity mutual funds   |                      |                  |                  | <u>39,801,506</u>    | <u>33,578,313</u>    |
|   | <u>International mutual funds:</u>  |                      |                  |                  |                      |                      |
| * SEI IIT Emerging Markets<br>Debt Fund               |   | 457,661              |                  |                  | 4,657,772            | 4,526,272            |
| * SEI IIT Emerging Markets<br>Equity Fund             |   | 284,886              |                  |                  | 2,787,229            | 2,575,371            |
| * SEI IIT World Equity<br>Ex-US Fund                  |   | 1,913,542            |                  |                  | 23,143,123           | 23,574,838           |
|   | Total international mutual funds  |                      |                  |                  | <u>30,588,124</u>    | <u>30,676,481</u>    |
|   | <u>Balanced mutual funds:</u>   |                      |                  |                  |                      |                      |
| * SEI IIT Core Fixed Dynamic<br>Asset Allocation Fund |   | 261,651              |                  |                  | 4,757,857            | 5,447,564            |
| * SEI IIT Multi-Asset Real<br>Return Fund             |   | 445,923              |                  |                  | 3,380,825            | 3,500,520            |
|   | Total balanced mutual funds   |                      |                  |                  | <u>8,138,682</u>     | <u>8,948,084</u>     |
|   | <u>Money market mutual fund:</u>  |                      |                  |                  |                      |                      |
| * Sweep Account                                       |   |                      |                  |                  | 590,546              | 590,546              |
|   | Total investments   |                      |                  |                  | <u>\$ 95,319,210</u> | <u>\$ 90,373,725</u> |

\* A party-in-interest as defined by ERISA.

**NEW JERSEY EDUCATION ASSOCIATION  
HEALTH AND WELFARE BENEFITS PLAN**

**SCHEDULE OF REPORTABLE TRANSACTIONS**

YEAR ENDED AUGUST 31, 2019

Form 5500 Schedule H, Item 4j

Plan Number: 502  
EIN: 21-0524390

| (a)  | (b)                 | (c)                 | (d)                 | (g)                       | (h)                   | (i) |
|--|---------------------|---------------------|---------------------|---------------------------|-----------------------|-----|
| Description                                    | Purchase Price      | Selling Price       | Cost of Asset       | Current Value of Asset    | Net Gain or (Loss)    |     |
| * SEI IIT Large Cap Fund                       | \$ 5,738,907<br>N/A | N/A<br>\$ 7,281,659 | N/A<br>\$ 9,625,741 | \$ 5,738,907<br>7,281,659 | N/A<br>\$ (2,344,082) |     |
| * SEI IIT Core Fixed Income Fund               | 1,689,385<br>N/A    | N/A<br>3,154,085    | N/A<br>3,231,659    | 1,689,385<br>3,154,085    | N/A<br>(77,574)       |     |
| * SEI IIT Small Cap II Fund                    | 2,584,350<br>N/A    | N/A<br>5,742,575    | N/A<br>7,869,676    | 2,584,350<br>5,742,575    | N/A<br>(2,127,101)    |     |
| * SEI IIT Dynamic Asset Allocation Fund        | 5,220,022<br>N/A    | N/A<br>520,376      | N/A<br>462,164      | 5,220,022<br>520,376      | N/A<br>58,212         |     |
| * SEI IIT World Equity Ex-US Fund              | 15,133,867<br>N/A   | N/A<br>455,376      | N/A<br>504,290      | 15,133,867<br>455,376     | N/A<br>(48,914)       |     |
| * SEI IIT Large Cap Index Fund                 | 4,304,166<br>N/A    | N/A<br>6,094,261    | N/A<br>7,150,022    | 4,304,166<br>6,094,261    | N/A<br>(1,055,761)    |     |
| * Wells Fargo Bank Collateralized Bank Deposit | 16,896,909<br>N/A   | N/A<br>16,877,541   | N/A<br>16,877,541   | 16,896,909<br>16,877,541  | N/A<br>-              |     |

\* A party-in-interest as defined by ERISA.



**THE FINANCIAL STATEMENTS WILL BE PLACED IN THE  
ATTACHMENT FOR THE ACCOUNTANT'S OPINION**

SEE ACCOUNTANT'S OPINION FOR SCHEDULE  
OF ASSETS HELD

SEE ACCOUNTANT'S OPINION FOR SCHEDULE  
OF FIVE PERCENT TRANSACTIONS