

PENSION FUND
OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY
LOCAL NO. 701

FINANCIAL STATEMENTS

FOR THE YEARS ENDED
MAY 31, 2017 AND 2016

MSPC
Certified Public
Accountants and Advisors, P.C.

An independent firm associated with
Moore Stephens International Limited

MOORE STEPHENS

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

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An independent firm associated with
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
 Pension Fund of the Welfare and Pension Fund
 Mid-Jersey Trucking Industry Local No. 701
 North Brunswick, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of Pension Fund of the Welfare and Pension Fund Mid-Jersey Trucking Industry Local No. 701, which comprise the statements of net assets available for benefits as of May 31, 2017 and 2016, the related statements of changes in net assets available for benefits for the years then ended, the statements of accumulated plan benefits as of May 31, 2016 and 2015, the related statements of changes in accumulated plan 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, information regarding Pension Fund of the Welfare and Pension Fund Mid-Jersey Trucking Industry Local No. 701 net assets available for benefits as of May 31, 2017, and the changes therein for the year then ended and its financial status as of May 31, 2016, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of administrative expenses and investment expenses are presented for the purpose of additional analysis and are not a required part of the financial statements. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year), Assets (Acquired and Disposed of within the Plan Year) and Schedule H, Line 4j - Schedule of Reportable Transactions 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. Such 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 audits 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.

MSPC

MSPC

Certified Public Accountants and Advisors,
A Professional Corporation

Cranford, New Jersey
January 31, 2018

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Statements of Net Assets Available for Benefits

	<u>2017</u>	<u>May 31,</u> <u>2016</u>
Assets:		
Investments at Fair Value:		
Common Collective Trusts	\$ 33,273,707	\$ 44,543,037
Common Stock	98,349,342	93,643,188
Preferred Stock	947,687	894,511
U.S. Government Securities	9,720,585	6,452,972
Corporate Debt Instruments	6,464,846	6,110,856
Registered Investment Companies	32,984,646	38,077,226
Partnership/Joint Venture Interests	<u>52,679,087</u>	<u>35,872,780</u>
Total Investments Held	<u>234,419,900</u>	<u>225,594,570</u>
Investments on Loan Under Securities Lending Agreement:		
U.S. Government Securities	--	2,454,117
Corporate and Other Bonds	--	498,326
Equities	--	<u>5,758,863</u>
Total Investments on Loan	<u>--</u>	<u>8,711,306</u>
Total Investments at Fair Value	<u>234,419,900</u>	<u>234,305,876</u>
Receivables:		
Employers' Contributions	409,026	545,352
Withdrawal Liability	235,857	256,190
Accrued Interest and Dividends	351,894	374,524
Due from Broker for Securities Sold	<u>1,150,816</u>	<u>2,238,049</u>
Total Receivables	<u>2,147,593</u>	<u>3,414,115</u>
Other Assets:		
Cash	3,503,879	3,562,552
Securities Lending Collateral	--	9,139,485
Property and Equipment, Net	1,504,145	1,501,837
Prepaid Expenses	<u>62,085</u>	<u>58,481</u>
Total Other Assets	<u>5,070,109</u>	<u>14,262,355</u>
Total Assets	<u>241,637,602</u>	<u>251,982,346</u>
Liabilities:		
Accrued Expenses	352,956	342,206
Deposits	6,989	6,587
Due to Broker for Securities Purchased	3,472,277	3,978,582
Due to Affiliated Funds, Net	12,729	16,803
Obligation to Refund Collateral	--	<u>9,139,485</u>
Total Liabilities	<u>3,844,951</u>	<u>13,483,663</u>
Net Assets Available for Benefits	<u>\$ 237,792,651</u>	<u>\$ 238,498,683</u>

See Accompanying Notes to Financial Statements.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Statements of Changes in Net Assets Available for Benefits

	<u>Years ended</u>	
	<u>May 31,</u>	
	<u>2017</u>	<u>2016</u>
Additions to Net Assets Attributed to:		
Investment Income:		
Net Appreciation (Depreciation) in Fair Value of Investments	\$ 26,033,150	\$ (17,431,492)
Interest and Dividends	5,052,847	5,642,087
Securities Lending Income	8,149	17,951
Rents	137,262	138,307
Gain (Loss) on Foreign Currency Exchange	<u>150</u>	<u>(146)</u>
Totals	31,231,558	(11,633,293)
Less: Investment Expenses	<u>1,307,750</u>	<u>1,205,830</u>
Net Investment Income (Loss)	29,923,808	(12,839,123)
Employers' Contributions	2,568,773	2,709,220
Other Income	<u>107,601</u>	<u>113,861</u>
Total Additions	<u>32,600,182</u>	<u>(10,016,042)</u>
Deductions from Net Assets Attributed to:		
Benefits Paid Directly to Participants	32,657,650	31,584,214
Administrative Expenses	<u>648,564</u>	<u>664,818</u>
Total Deductions	<u>33,306,214</u>	<u>32,249,032</u>
Net (Decrease) in Net Assets Available for Benefits	(706,032)	(42,265,074)
Net Assets Available for Benefits - Beginning of Years	<u>238,498,683</u>	<u>280,763,757</u>
Net Assets Available for Benefits - End of Years	<u>\$ 237,792,651</u>	<u>\$ 238,498,683</u>

See Accompanying Notes to Financial Statements.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Statements of Accumulated Plan Benefits

	<u>2016</u>	<u>May 31,</u> <u>2015</u>
Actuarial Present Value of Accumulated Plan Benefits:		
Vested Benefits:		
Participants Currently Receiving Benefits	\$ 285,640,398	\$ 291,824,704
Participants Entitled to Deferred Benefits	13,060,834	--
Other Participants	<u>33,432,968</u>	<u>46,011,663</u>
Total Vested Benefits	332,134,200	337,836,367
Nonvested Benefits	<u>9,228,549</u>	<u>8,567,670</u>
Total Actuarial Present Value of Accumulated Plan Benefits	<u>\$ 341,362,749</u>	<u>\$ 346,404,037</u>

See Accompanying Notes to Financial Statements.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Statements of Changes in Accumulated Plan Benefits

	<u>Years ended</u>	
	<u>2016</u>	<u>2015</u>
Actuarial Present Value of Accumulated Plan Benefits at Beginning of Year	\$ 346,404,037	\$ 352,760,326
Increase (Decrease) During the Year Attributable to:		
Benefits Accumulated, Net Experience Gain or Loss	1,725,619	274,872
Benefits Paid	(31,584,214)	(31,913,080)
Decrease in Discount Period	<u>24,817,307</u>	<u>25,281,919</u>
Total Actuarial Present Value of Accumulated Plan Benefits at End of Year	<u>\$ 341,362,749</u>	<u>\$ 346,404,037</u>

See Accompanying Notes to Financial Statements.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(1) Description of the Plan

The following summarized description is intended only to highlight some of the features of the Pension Fund of the Welfare and Pension Fund Mid Jersey Trucking Industry Local No. 701 (the "Plan"). In all cases the actual text of the Plan governs all aspects of participation, eligibility, pension payments and, in general, any aspects of administration of the Plan. Accordingly, those interested should be sure to refer to the actual text of the Plan.

General - The Plan is a multiemployer defined benefit pension plan covering the Teamsters Local 701 members employed by contributing employers and Fund employees. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Employers' Contributions - The Plan is supported by the contributions made by participating employers under the terms of certain collective bargaining agreements and participation agreements.

Pension Benefits - The following are the pension benefits, with applicable eligibility, provided by the Fund. The monthly accrued benefit amount is equal to the number of Pension Credits times various multipliers, depending upon the group or class of participant.

Regular Retirement Benefit - Age 60 and at least 60 Pension Credits.

Early Retirement Benefit - Age 50 and at least 120 Pension Credits. Accrued benefit is reduced by 6/10 of 1% for each of the first 60 months and 1/3 of 1% for each of the next 60 months by which the early retirement date precedes the attainment of age 60.

Service Retirement Benefit - For those hired on or after October 1, 1995 and prior to January 1, 2006 any age with at least 240 Pension Credits. For those hired on or after January 1, 2006, any age with at least 300 Pension Credits.

Disability Retirement Benefit - At least 120 Pension Credits with total and permanent disability. Accrued benefit is reduced for early retirement as if a participant attained age 53 (or current age if past age 53).

Deferred Vested Benefit - 5 Years of Vesting Service. Accrued benefit payable at age 60 or Early Retirement Benefit payable at early retirement date, if eligible.

The Plan also provides for death benefits for both pre-retirement and post-retirement participants.

During the year ended May 31, 2012, the Board of Trustees adopted an amendment to the Plan to eliminate the lump-sum distribution for benefits accrued under the Plan on or after April 1, 2012.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(1) Description of the Plan (Continued)

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

1. Pension benefits to retirees or beneficiaries that are or could have been on the Pension Roll as of the beginning of the 3-year period ending on the termination date of the Plan;
2. Benefits generally guaranteed by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency);
3. Benefits that are not forfeitable (vested) under the Plan; and
4. All other benefits under the plan.
5. If all liabilities of the Plan to participants and their beneficiaries have been satisfied any residual assets of the Plan shall be apportioned among the participants.

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

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

(2) Significant Accounting Policies and Information

Basis of Accounting - The accounting records of the Plan are maintained on the accrual basis.

In May 2015, the Financial Accounting Standards Board issued Accounting Standards Update No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2015-07"). This ASU removes the requirement to include investments in the fair value hierarchy for which fair value is measured using the net asset value per share practical expedient under ASC 820. This ASU is effective for the Plan retrospectively for the year ending May 31, 2017 with early adoption permitted. Plan management has adopted ASU 2015-07 and its application was applied retrospectively.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(2) Significant Accounting Policies and Information (Continued)

Basis of Accounting (Continued) - In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts but will continue to provide certain disclosures that help users understand the nature and risks of fully benefit-responsive investment contracts. Upon adoption, contract value will be the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III provides a practical expedient to permit plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end. This ASU was effective for the Plan retrospectively for the year ending May 31, 2017 with early adoption permitted. Plan management has adopted ASU 2015-12 and its application was applied retrospectively.

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

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

Contributions Receivable - Contributions receivable were determined by a review of subsequent period cash collections, therefore, an allowance for doubtful accounts is not considered necessary.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Property and Equipment - If an expenditure exceeding \$1,000 results in an asset having an estimated useful life that extends beyond the year of acquisition, the expenditure is capitalized. Property and equipment are stated at cost and is depreciated using the straight line method over the estimated useful lives of the assets. Building and improvements are recorded at fair market value.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries.

Benefits under the Plan are based on the employees' total credited services. Benefits payable under all circumstances- retirement, death, and disability are included to the extent they are deemed attributable to employee service rendered to the valuation date.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(2) Significant Accounting Policies and Information (Continued)

Actuarial Present Value of Accumulated Plan Benefits (Continued) - The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The computations of the actuarial present value of accumulated plan benefits were made as of June 1, 2016 and 2015. Had the valuations been performed as of May 31, there would be no material differences.

Payment of Benefits - Benefit payments to participants are recorded upon distribution.

Funding Policy - Contributing employers are required to make contributions to the Plan on behalf of each participant on the basis of a rate fixed by the applicable collective bargaining agreement or participation agreement in effect. The contribution rates vary depending on the level of benefits negotiated. Employee participants are not required to contribute to the Plan.

Income Taxes - The Internal Revenue Service has determined and informed the Plan by letter dated April 20, 2016, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan's Trustees and legal counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting for Uncertainty in Income Taxes - In accordance with guidance issued by the Financial Accounting Standards Board (FASB) on accounting for uncertainty in income taxes, management has evaluated the Plan's tax position and concluded that the Plan has maintained its tax exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. Management believes that the Plan is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for fiscal years before 2014.

Withdrawal Liability - Withdrawal liability, which is based upon an employer's share of the Fund's unfunded liability for vested benefits, is assessed as of the time of an employer's partial or complete withdrawal from the Fund, as defined by the Multi-Employer Pension Plan Act of 1980. The ultimate realization of withdrawal liability assessment generally is not reasonably estimable. The Fund recognizes withdrawal liability assessments as revenue only when collection has occurred, except that under the Fund's prior policy, an employer withdrawal liability was recognized in the year that it was accessed since the Fund reasonably expected to collect all amounts due.

Reclassification - Certain items in the comparative financial statements have been reclassified to conform to the current year's presentation.

Subsequent Events - Plan management has evaluated subsequent events through January 31, 2018, the date the financial statements were available to be issued.

(3) Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is determined by an actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decreases such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(3) Accumulated Plan Benefits (Continued)

The significant actuarial assumptions and methods used in the latest valuation of June 1, 2016 were:

Mortality Rates - The RP2000 mortality table set forward three years projected with scale AA on a fully generational basis for healthy participants and the RP2000 disabled mortality table for disabled participants for the current year.

Retirement Rates - For those eligible to retire, the retirement rates are as follows:

<u>Age</u>	<u>Rate</u>
40-44	5%
45-49	15%
50-59	50%
60-61	45%
62	50%
63-69	75%
70+	100%

Disability Rates - Sample rates are as follows:

<u>Age</u>	<u>Rate</u>
25	0.05%
30	0.05%
35	0.06%
40	0.09%
45	0.18%
50	0.40%
55	0.85%
60	1.74%

Termination Rates - The termination rates are assumed to follow the published T-6 table. Sample rates are as follows:

<u>Age</u>	<u>Rate</u>
20	7.94%
30	7.40%
40	6.11%
50	3.62%
60+	0.13%

Administrative Expenses - \$600,000, payable at the beginning of the year.

New Entrants - No new entrants or rehired employees are assumed in the future.

Maximum Benefits - It is assumed that the maximum benefit limitation under the

Internal Revenue Code will not increase in the future.

Interest Rate - 7.5%

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(3) Accumulated Plan Benefits (Continued)

Marriage - 80% of participants are assumed to be married. Husbands are assumed to be three years older than wives.

Form of Payment - Participants are assumed to elect the normal form for married and single participants.

Pro-rata Pensions - 25% of the accrued benefit liability for inactive participants without vested rights in the database are included in the Actuarial Accrued Liability to estimate the emerging liability for pro-rata pensions commencing in the future.

Cost Method - The Entry Age Normal Cost Method is employed in the June 1, 2016 valuation. Under this method, the normal cost is the annual level dollar contribution that would have been required from the age of plan entry in order to fund the participant's retirement, termination and ancillary benefits if the current plan provisions had always been in effect. The actuarial accrued liability is the present value of all future benefits for inactive participants and is the excess of the present value of all future benefits over the present value of future normal costs for active participants. The present value of all future benefits is determined by discounting to the valuation date, the total future expected cash flow from the plan using the aforementioned actuarial assumptions. The present value of future normal costs is determined by discounting to the valuation date, all of the normal costs anticipated to result from future valuations using the aforementioned actuarial assumptions. The normal cost and actuarial accrued liability for the entire plan are the sums of the individually computed normal costs and actuarial accrued liabilities for all current plan participants.

Asset Method - The Five-Year Weighted Average of Asset Gains/Losses Method is used in the June 1, 2015 valuation. The actuarial value of assets is determined by adjusting the market value of assets to reflect the asset gains and losses (the difference between expected investment return and actual investment return) during each of the previous five years at the rate of 20% per year (10% per year for ten years for the 2008 net investment loss). The actuarial value is subject to a restriction that it not be less than 80% or more than 120% of market value.

Changes in Assumptions and Methods

There were no changes in the actuarial assumptions or methods since the last actuarial valuation.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. In the event the Plan was to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

(4) Investments

The Plan's investments are held in custody by a bank and are managed by an advisor, operating under an investment advisory agreement. During the years ended May 31, 2017 and 2016, the Plan's investments (including investments bought, sold and held during the years) appreciated (depreciated) in fair value by \$26,033,150 and (17,431,492), respectively.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(5) Property and Equipment

The following is a summary of property and equipment, at historical cost less accumulated depreciation, at May 31st:

	May 31,	
	2017	2016
Building and Improvements	\$ 1,500,000	\$ 1,500,000
Real Estate Equipment	25,878	25,878
Office Equipment	338,517	335,805
Subtotal	1,864,395	1,861,683
Less: Accumulated Depreciation	(360,250)	(359,846)
<u>Total Property and Equipment - Net</u>	<u>\$ 1,504,145</u>	<u>\$ 1,501,837</u>

Depreciation expense was \$6,480 and \$8,407 for the years ended May 31, 2017 and 2016, respectively.

(6) Leases

Local 701 Pension Fund Realty Co., LLC, in which the Pension Fund is the sole member, was committed to lease office space to the following tenants at May 31, 2017. All of the leases except for the lease with Cal Scientific Inc. are subject to changes based on annual appraisals. The leases have been assigned to the Local 701 Pension Fund Realty Co. LLC.

<u>Tenant</u>	<u>Term of Lease</u>	<u>Rental per Month</u>
Kevin J. Dembinski, DMD.	10/01/14-09/30/19	\$1,850 plus 11.4% of utilities and real estate tax increases.
Teamsters Local 701	10/01/14-09/30/19	\$2,797 plus 17.2% of utilities and real estate tax increases.
Cal Scientific Inc.	06/01/16-05/31/18	\$788.13 plus 5% of utilities and real estate tax increases.
Bakery Drivers & Salesmen Local 194 and Industry Pension Fund	10/01/14-09/30/19	\$19.50 per sq ft plus 8.05% of utilities and real estate tax increases.
Tomahawk Cutting & Coring, LLC	04/01/17-03/31/19	\$703.63 plus 4.1% of utilities and real estate tax increases.
Teamsters Local 418 Pension Fund	10/01/14-09/30/19	\$19.50 per sq ft plus .97% of utilities and real estate tax increases.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID-JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(6) Leases (Continued)

The Local 701 Pension Fund Realty Co., LLC leases to the above listed tenants and are accounted for as noncancelable operating leases with terms of one to five years. The following is a schedule by years of future minimum rentals under the leases at May 31, 2017:

<u>Year ended</u>	
<u>May 31,</u>	
2018	\$ 97,026
2019	97,026
2020	<u>32,342</u>
<u>Total</u>	<u>\$ 226,394</u>

(7) Risks and Uncertainties

Concentrations of Credit Risks - Financial instruments which potentially subject the Plan to concentrations of credit risk are cash and employers' contributions receivable arising from its normal business activities. The Plan routinely assesses the financial strength of its employers based upon factors surrounding the industry and its geographic locations. A substantial portion of the Plan's income is derived from the employers of the industry which is in turn dependent upon the stability and environment of the local economy. A downturn in the industry would affect employer contributions. The Plan places its cash with high credit quality financial institutions. The amount on deposit in any one institution that exceeds federally insured limits is subject to credit risk.

Investment Risks - The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

Inherent Risks - The actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest 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.

(8) Transactions with Related Parties

Allocation of Common Expenses - The Plan currently shares common facilities and personnel with two other related Funds of the Highway and Local Motor Freight Drivers, Dockmen and Helpers Local Union No. 701 (Teamsters Local 701), Teamsters Local 418 Pension Fund, and Bakery Drivers Local 194 Pension Fund (collectively, the "Funds"). Accordingly, certain common expenses are allocated among the Funds. These expenses include; payroll and related fringe benefits, rent and utilities, office and computer supplies and maintenance as well as other costs for goods and services shared by the Funds.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(8) Transactions with Related Parties (Continued)

Payroll costs are initially paid from the Local 701 Welfare Insurance Plan and the expenses are then allocated among the Funds based on an allocation method determined to fairly distribute the expenses. Other common administrative expenses are initially paid from the Local 701 Welfare Insurance Plan and the Local 701 Pension Fund and then also allocated among the Funds based on an allocation method developed to equitably distribute the expenses. Each Fund is charged for its allocated share of the fair market rent plus utilities for the office facilities occupied by the Funds. Monthly payments are made by the Funds to satisfy the amounts due to the other Funds.

Monthly payments are made by the Funds to satisfy the amounts due to other Funds. At May 31, 2017 and 2016, the balances due to and (from) the Funds were:

	<u>May 31,</u>	
	<u>2017</u>	<u>2016</u>
Teamsters Local 701 Welfare Insurance Plan	\$ (16,591)	\$ (14,185)
Teamsters Local 701 Defined Contribution Fund	1,066	(4,965)
Teamsters Local 418 Pension Fund	2,474	2,035
Bakery Drivers Local 194 Pension Fund	322	312
<u>Totals</u>	\$ (12,729)	\$ (16,803)

The Local 701 Pension Fund Realty Co., LLC leases office space to the Teamsters Local 701. Rent is charged to the Funds by the Local 701 Pension Fund Realty Co., LLC, a New Jersey limited liability company in which the Pension Fund is the sole member.

(9) Local 701 Pension Fund Realty Co., LLC

Property located at 2003 U.S. Route 130, North Brunswick, New Jersey, (the "Premises") and owned by the Plan, has been conveyed to the Local 701 Pension Fund Realty Co., LLC (the "Company").

The Company was formed on February 7, 2001 under the New Jersey Limited Liability Company Act and has one member, the Plan. Since it has a single member, the Company is taxed as a disregarded entity, so that all items of income, gain, loss, deduction, and credit realized by the Company is reported by the member (the Plan) as if it realized directly all such items. The assets, liabilities, income, and expenses of the Company for the years ended May 31, 2017 and 2016 are included in these financial statements.

(10) Withdrawal Liability

The employer companies who are under agreement with the Union are subject to the Multi-Employer Pension Plan Act of 1980. The Act, among other items, imposes a liability on employers that withdraw from a pension plan for the amount of their pro-rata share of the pension plan's unfunded obligation for vested benefits. Under the law, an employer has withdrawn completely if it has permanently ceased operations under the Fund or has permanently ceased to have an obligation to contribute to the Fund. There may also be a partial withdrawal. As of May 31, 2016, the date of the most recent valuation, the Plan's unfunded obligations for vested benefits for withdrawal liability purposes was \$93,891,707.

**PENSION FUND OF THE WELFARE AND PENSION FUND
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Notes to Financial Statements

(10) Withdrawal Liability (Continued)

During the year ended May 31, 2012, an employer withdrew from the Plan and was assessed withdrawal liability. The assessment calls for 80 quarterly installments of \$4,067. At May 31, 2017, 58 installments were remaining totaling \$235,857.

During the year ended May 31, 2017, an employer withdrew from the Plan and was assessed withdrawal liability. The assessment calls for 80 quarterly installments of \$339,719. At May 31, 2017, 80 installments were remaining totaling \$27,177,520.

(11) Pension Accrual Rate

During the year ended May 31, 2008, the Board of Trustees approved increases in the pension accrual rates effective September 1, 2007. The accrual rate for active participants of Plan A was increased from \$275 to \$350 per year for Pension Credits earned October 1, 2001 through September 30, 2003. The accrual rate for Plan A active participants remains at \$350 for Pension Credits earned prior to October 1, 2001 and at \$275 for years of credited service earned on or after October 1, 2003 through June 30, 2009. Effective July 1, 2009, the accrual rate was reduced by 50% for Plan A active participants, except for participants employed by YRC Worldwide, Inc. ("YRC") whose accruals were reduced by 98%. Due to the cessation of contributions to the Plan by YRC, employees of YRC did not receive pension accruals effective September 1, 2009. YRC resumed participation in the Fund on June 1, 2011 at 25% of the rate at which YRC was obligated to contribute prior to the termination of its participation in the Fund in July 2009. The YRC participants will receive reduced pension accruals commensurate with the reduction in the contribution rate. As of May 31, 2017, the reduced contribution rate is still in effect.

(12) Securities Lending

The Board of Trustees of the Plan, as plan administrator, had an agreement with Bank of New York Mellon authorizing the bank to lend securities held in the Plan accounts to third party borrowers. The bank must obtain collateral from the borrower in the form of cash, letters of credit issued by a bank other than the borrower, or acceptable securities to secure each loan. The collateral requirement is either 102 percent or 105 percent of the market value of loaned securities depending upon the nature of the loaned securities and/or collateral. Both the collateral and securities loaned are marked-to-market on a daily basis so that all loaned securities are fully collateralized at all times. In the event that the loaned securities are not returned by the borrower, the bank will either replace the loaned securities or, if unable to purchase those securities, credit the Plan's account with cash equal to the market value of the loaned securities.

The Plan and the bank each receive a percentage of the net income derived from the securities lending activities. Income earned during the years ended May 31, 2017 and 2016 was \$8,149 and \$17,951, net of fees retained by the bank.

Although the Plan's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrowers of securities will be unable to collateralize the loan upon a sudden material change in the market value of the loaned securities or the collateral. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

The fair value of securities loaned by the Plan was \$8,711,306 at May 31, 2016. Cash collateral received was \$9,139,485 at May 31, 2016.

This agreement was terminated on August 18, 2016, and no securities lending existed at May 31, 2017.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(13) Substantial Employers

During the years ended May 31, 2017, two employers made contributions to the Plan of \$1,168,975 and \$332,251, respectively, representing 46% and 13%, respectively.

Employers affiliated with YRC, Worldwide Inc. ("YRC"), previously a major contributing employer, accumulated delinquent contributions of approximately \$468,936 for the months of March 2009 through July 2009 of which approximately \$376,943 has been collected as of May 31, 2017.

In August 2009, a majority of YRC employees represented by the International Brotherhood of Teamsters agreed to a modified labor agreement. The modified agreement included an 18-month cessation of union pension fund contributions, which will not require repayment. As a result, the 701 Pension Fund Board of Trustees adopted an amendment to the Plan whereby participants employed by the YRC companies did not receive pension accruals effective September 1, 2009. YRC resumed participation in the Plan on June 1, 2011 at 25% of the rate at which YRC was obligated to contribute prior to the termination of its participation in the Plan in July 2009. The YRC participants will receive reduced pension accruals commensurate with the reduction in the contribution rate.

Under an agreement with YRC, the delinquent contributions were to be remitted as YRC completed the sale of certain of its assets. Effective January 31, 2015, in connection with YRC's effort to refinance its debt and avert bankruptcy, the Plan agreed to amend the "Contributions Deferral Agreement" with YRC and convert the deferred contribution payments to unsecured debt.

Subsequent to the year ended May 31, 2017, the Plan agreed to a second amendment to the "Contributions Deferral Agreement" which, among other things, extended the date by which payment of all outstanding deferred pension payments and outstanding deferred interest must be made from December 31, 2019 to December 31, 2022.

(14) Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codifications ("ASC") 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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; and
- 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.

**PENSION FUND OF THE WELFARE AND PENSION FUND
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Notes to Financial Statements

(14) Fair Value Measurements (Continued)

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at May 31, 2017 and 2016.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded and are classified as Level 1 of the fair value hierarchy.

Preferred Stocks: Preferred Stocks are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Corporate Debt Instruments: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Registered Investment Companies: Valued at the daily closing price as reported by the fund. Registered investment companies held by the Plan are open-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The registered investment companies held by the Plan are deemed to be actively traded.

Common Collective Trusts and 103-12 Investment Entities: Valued at the net asset value (NAV) of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Partnership/Joint Venture Interests: Valued based on the Plan's ownership percentage and the net asset value (NAV) of the partnerships' investments. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

U.S. Government Securities: U.S. Government securities classified as Level 1 are valued based upon quoted market prices reported on the active market on which they are traded. U.S. government securities classified as Level 2 are valued using pricing models maximizing the use of observable inputs for similar securities.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(14) Fair Value Measurements (Continued)

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

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of May 31, 2017 and 2016:

	<u>Assets at Fair Value as of May 31, 2017</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Common Stocks	\$ 98,349,342	\$ --	\$ --	\$ 98,349,342
Preferred Stocks	--	947,687	--	947,687
U.S. Government Securities	3,708,199	6,012,386	--	9,720,585
Corporate Debt Instruments	--	6,464,846	--	6,464,846
Registered Investment Companies	<u>32,984,646</u>	<u>--</u>	<u>--</u>	<u>32,984,646</u>
Total Assets in the Fair Value Hierarchy	<u>\$135,042,187</u>	<u>\$ 13,424,919</u>	<u>\$ --</u>	148,467,106
Investments Measured at Net Asset Value				<u>85,952,794</u>
<u>Total Investments</u>	<u>\$135,042,187</u>	<u>\$ 13,424,919</u>	<u>\$ --</u>	<u>\$234,419,900</u>

	<u>Assets at Fair Value as of May 31, 2016</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Common Stocks	\$ 93,643,188	\$ --	\$ --	\$ 93,643,188
Preferred Stocks	--	894,511	--	894,511
U.S. Government Securities	711,778	5,741,194	--	6,452,972
Corporate Debt Instruments	--	6,110,856	--	6,110,856
Registered Investment Companies	<u>38,077,226</u>	<u>--</u>	<u>--</u>	<u>38,077,226</u>
Total Assets in the Fair Value Hierarchy	<u>\$132,432,192</u>	<u>\$ 12,746,561</u>	<u>\$ --</u>	145,178,753
Investments Measured at Net Asset Value				<u>80,415,817</u>
<u>Total Investments</u>	<u>\$132,432,192</u>	<u>\$ 12,746,561</u>	<u>\$ --</u>	<u>\$225,594,570</u>

	<u>Assets at Fair Value as of May 31, 2016</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Assets Held in Securities Lending Program:				
Common Stock	\$ 5,758,863	\$ --	\$ --	\$ 5,758,863
U.S. Government Securities	2,454,117	--	--	2,454,117
Corporate Debt Instruments	<u>--</u>	<u>498,326</u>	<u>--</u>	<u>498,326</u>
<u>Total Investments</u>	<u>\$ 8,212,980</u>	<u>\$ 498,326</u>	<u>\$ --</u>	<u>\$ 8,711,306</u>

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(14) Fair Value Measurements (Continued)

Fair Value of Investments that Calculate Net Asset Value - The following table summarizes investments measured at fair value based on the net asset value (NAVs) per share as of May 31, 2017 and 2016:

	May 31, 2017			
	<u>Fair Value</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Common Collective Trusts:				
EB Temp Inv Fd	\$ 3,837,117	N/A	Daily	N/A
EB DV Large Cap Growth Stock Index Fund	6,008,560	N/A	Daily	N/A
Collective US Gov't Short-Term Investment Fund	794,645	N/A	Daily	N/A
EB DV Non-SL Small Cap Stock Index Fund	8,907,574	N/A	Daily	N/A
EB DV Non-SL Int'l Stock Index Fund	13,725,811	N/A	Daily	N/A
Partnerships/Joint Ventures:				
Entrust Capital Special Opportunities Fund	16,375,717	N/A	Quarterly	95 Days
Intercontinental Real Estate Corporation	12,806,598	N/A	Quarterly	90 Days
Crescent Capital High Income Fund B-Limited Partnership	23,496,772	N/A	Daily	N/A
	May 31, 2016			
	<u>Fair Value</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Common Collective Trusts:				
EB Temp Inv Fd	\$ 3,431,943	N/A	Daily	N/A
Collective US Gov't Short-Term Investment Fund	752,939	N/A	Daily	N/A
EB DV Non-SL Small Cap Stock Index Fund	18,016,274	N/A	Daily	N/A
EB DV Non-SL Large Cap Growth Stock Index Fund	10,577,299	N/A	Daily	N/A
EB DV Non-SL Int'l Stock Index Fund	11,764,582	N/A	Daily	N/A
Partnerships/Joint Ventures:				
Entrust Capital Special Opportunities Fund	14,569,387	8,225,815	Quarterly	95 Days
Crescent Capital High Income Fund B-Limited Partnership	21,303,393	N/A	Quarterly	90 Days

The PIMCO All Asset All Authority Institutional Fund ("PIMCO") is a mutual fund that invests in actively managed PIMCO mutual funds in an effort to achieve broad asset diversification, including global bonds and stocks, real estate, commodities, and exposure to PIMCO's value-added strategies within each underlying fund. The Fund may also employ leverage and a net short exposure to the U.S. equity market.

Financial Accounting Standards Board (FASB) ASU 2009-12 "Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)" provides guidance on using the net asset value per share provided by an investee to measure the fair value of certain alternative investments when the fair value of the primary investment is not readily determinable. ASU 2009-12 requires disclosure, by major category of investment, information regarding redemption restrictions, unfunded commitments to the issuer of the investment, and the investment strategies of the issuer. The following describes the required disclosures for the investments that are valued in this manner.

**PENSION FUND OF THE WELFARE AND PENSION FUND
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Notes to Financial Statements

(14) Fair Value Measurements (Continued)

EB DV Non-SL Small Cap Stock Index Fund:

The EB DV Non-SL Small Cap Stock Index Fund ("SIF-1") is authorized by the Bank of New York Mellon Employee Benefit Collective Investment Fund Plan (the "Plan"). The Bank of New York Mellon (the "Trustee") serves as the Trustee, Investment Manager, Custodian, and Transfer Agent of the Fund. The objective of the SIF-1 is to track the performance of the Russell 2000 Index. In meeting this objective, the assets of the Fund may be invested in securities and a combination of other collective funds (each an affiliate of the Fund and collectively referred herein as the "EB Collective Investment Funds") that together are designed to track the performance of the Russell 2000 Index. The SIF-1 may also invest in the EB Temporary Investment Fund, an affiliate of the Fund. The SIF-1 indirectly bears its proportionate share of expenses paid by the underlying funds in which it may invest, if any. Financial futures may be used to obtain exposure, to provide liquidity for cash flows, to hedge dividend accruals or for other purposes that facilitate meeting the SIF-1 objective. Cash investments or assets used as collateral underlying the derivatives positions may be comprised of other collective funds and short to medium-term debt of investment grade that may include, without limitation, Treasury bills and notes, corporate obligations, commercial paper, repurchase agreements, and obligations of government sponsored enterprises.

Participants may purchase or redeem units of the Fund for cash or securities (in-kind transactions at the sole discretion of the Trustee) based on the unit value determined as of the valuation date. Unit value is generally determined each business day of the year. All participants have a proportionate undivided interest in the net assets of the Fund. The SIF-1's policy is to not make any distributions to its participants. At May 31, 2017, there were no unfunded commitments due from the Plan. The fair market value of the Plan's investment in the SIF-1 at May 31, 2017 was \$8,907,574.

EB DV Non-SL International Stock Index Fund:

The EB DV Non-International Stock Index Fund (the "SIF-3") is authorized by the Bank of New York Mellon Employee Benefit Collective Investment Fund Plan (the "Plan"). The Bank of New York Mellon (the "Trustee") serves as the Trustee, Investment Manager, Custodian, and Transfer Agent of the SIF-3. The objective of the SIF-3 is to track the performance of the MSCI EAFE Index. In meeting this objective, the assets of the SIF-3 may be invested in securities and a combination of other collective funds (each an affiliate of the SIF-3 and collectively referred herein as the "EB Collective Investment Funds") that together are designed to track the performance of the MSCI EAFE Index. The SIF-3 may also invest in the EB Temporary Investment Fund, an affiliate of the Fund. The SIF-3 indirectly bears its proportionate share of expenses paid by the underlying funds in which it may invest, if any. Financial futures, over the counter foreign currency forward contracts, and swaps may also be used from time to time to obtain exposure, to provide liquidity for cash flows, to hedge dividend accrual or for other purposes that facilitate meeting the SIF-3's objective. Cash investments or assets used as collateral underlying the derivatives positions may be comprised of other collective funds and short to medium-term debt of investment grade that may include, without limitation, Treasury bills and notes, corporate obligations, commercial paper, repurchase agreements, and obligations of government sponsored enterprises.

Participants may purchase or redeem units of the SIF-3 for cash or securities (in-kind transactions at the sole discretion of the Trustee) based on the unit value determined as of the valuation date. Unit value is generally determined each business day of the year. All participants have a proportionate undivided interest in the net assets of the Fund. The SIF-3's policy is to not make any distributions to its participants. At May 31, 2016, there were no unfunded commitments due from the Plan. The fair market value of the Plan's investment in the SIF-3 at May 31, 2017 was \$13,725,811.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(14) Fair Value Measurements (Continued)

EB DV Large Cap Stock Index Fund:

EB DV Large Cap Stock Index Fund of The Bank of New York Mellon (the "Fund") is authorized by The Bank of New York Mellon Employee Benefit Collective Investment Fund Plan (the "Plan"). The Bank of New York Mellon (the "Trustee") serves as the Trustee, Investment Manager, Custodian, and Transfer Agent of the Fund. As Trustee of the Fund, The Bank of New York Mellon is a fiduciary with regard to the Fund. The Fund is operated in accordance with Section 9.18 of Regulation 9 issued by the Office of the Comptroller of the Currency and by other applicable laws and regulations as defined by the Plan.

The objective of the Fund is to track the performance of the Russell 1000® Index. In meeting this objective, the assets of the Fund may be invested in securities and a combination of other collective funds (each an affiliate of the Fund and collectively referred herein as the "Collective Investment Funds") that together are designed to track the performance of the Russell 1000® Index. The Fund may also invest in the EB Temporary Investment Fund, an affiliate of the Fund. Financial futures may be used to obtain exposure, to provide liquidity for cash flows, to hedge dividend accruals or for other purposes that facilitate meeting the Fund's objective. Financial futures may be used up to 5% of the value of the Fund. Cash investments or assets used as collateral underlying the derivatives positions may be comprised of other collective funds and short to medium-term debt of investment grade that may include, without limitation, Treasury bills and notes, corporate obligations, commercial paper (including paper issued or resold under Section 3(a)(3), Section 4(2) and Rule 144A of the Securities Act of 1933), repurchase agreements, and obligations of government sponsored enterprises.

The Trustee may from time to time, in its sole discretion, lend any, or all, of the securities held in the Fund, upon such terms and conditions as are deemed necessary and appropriate, to brokers, dealers or banks upon such terms and secured in such manner as may be advisable and may permit the loaned securities to be transferred into the name of the borrower, or others, and may permit the borrower to exercise such rights of ownership over the loaned securities as may be required under the terms of any such loan; provided that, any loans made from the Fund shall be made in conformity with such laws or regulations governing such lending activities which may have been promulgated by any appropriate regulatory body at the time of such loan. To the extent that a loan of securities is secured by cash collateral, such collateral shall be invested in the EB MCM Securities Lending Temporary Investment Fund, an affiliate of the Fund, or its successor or assignee.

Participants may purchase or redeem units of the Fund for cash or securities (in-kind transactions at the sole discretion of the Trustee) based on the unit value determined as of the valuation date. Unit value is generally determined on a daily basis. All participants have a proportionate undivided interest in the net assets of the Fund. The Fund's policy is to not make any distributions to its participants. At May 31, 2017, there were no unfunded commitments due from the Plan. The fair market value of the Plan's investments in the Fund at May 31, 2017 was \$6,008,560.

Crescent Capital High Income Fund B, L.P.

Crescent Capital High Income Fund B, L.P. (the "Crescent Fund") is an open-end Delaware Limited Partnership formed on July 1, 2012 for the purpose of seeking to provide high current income consistent with reasonable risk as determined by Crescent Capital Group LP, a Delaware limited partnership as the Investment Manager, through investment in a multi-asset class, diversified portfolio of primarily below investment grade debt securities. The Fund's secondary objective is to seek capital appreciation consistent with its primary objective.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(14) Fair Value Measurements (Continued)

Crescent Capital High Income Fund B, L.P. (Continued)

The Crescent Fund does not expect to make distributions of interest, dividends or capital gains unless requested by a Limited Partner. If a Limited Partner elects to receive distributions in cash, such Limited Partner must provide written distribution notice to the General Partner at least sixty days prior to the desired distribution date; provided, however, the General Partner may, in its sole discretion, elect to waive such prior written notice requirement. Net profit or net loss for a fiscal period is allocated among the Limited Partners in proportion to their respective Fund percentage interest for such fiscal period. At May 31, 2016, there were no unfunded commitments due from the Plan. The fair market value of the Plan's investment in the Crescent Fund at May 31, 2017 was \$23,496,772.

EnTrust Capital Special Opportunities Fund Ltd.

The EnTrust Capital Special Opportunities Fund Ltd. (the "Entrust Fund") was incorporated in the Cayman Islands on March 31, 2008, as an exempted company. The investment advisor to the Fund is EnTrust Partners Offshore LP, a Delaware limited partnership. The Entrust Fund's investment objective is to seek above-average rates of return and long term capital growth by investing opportunistically in a select group of funds and investment vehicles. Following the expiration of the Lock-Up period, shareholders shall have the right to redeem all of a portion of the applicable shares to the maximum extent permitted by the terms relating to the Entrust Fund's investments in underlying investment vehicles. At May 31, 2017, there was \$-0- in unfunded commitments due from the Plan. The fair market value of the Plan's investment in the Entrust Fund at May 31, 2017 was \$16,375,717.

U.S. Real Estate Investment Fund, LLC

U.S. Real Estate Investment Fund, LLC (U.S. REIF or the Fund) is a limited liability company organized under the laws of the State of Delaware on July 31, 2006 pursuant to the Delaware Limited Liability Company Act (the Act). The Fund commenced operations on January 1, 2007. The Fund's investment objectives are to invest in a pool of real estate assets that are diversified by geography and property type, with a focus on yield-driven investments and, to a lesser extent, on value-added investments. The Manager of the Fund is Intercontinental Real Estate Corporation.

The Fund is an open-end, commingled real estate investment fund and is intended to have an indefinite term. The Funds may be terminated by the Manager or by the written consent of the members collectively owning not less than two-thirds of the outstanding interests.

The Fund is organized for the objective and purpose of enabling its operating subsidiaries, U.S. Real Estate Investment REIT Fund, Inc. (U.S. REIT), Bay State REIT, LLC (Bay State REIT) and U.S. Real Estate Investment Fund Non-REIT, LLC, to make investments in real estate assets; owning, managing, supervising, and disposing of such investments through its subsidiaries; sharing the profits and losses there from and engaging in such activities necessary, incidental, or ancillary thereto; and engaging in any other lawful act or activity for which limited liability companies may be organized under the Act in furtherance on the foregoing provided, however, that the Fund shall make all qualifying investments only through one or more subsidiaries.

**PENSION FUND OF THE WELFARE AND PENSION FUND
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Notes to Financial Statements

(14) Fair Value Measurements (Continued)

U.S. Real Estate Investment Fund, LLC (Continued)

The Fund entered into several joint ventures with Intercontinental Build Real Estate Investment Fund LLC. Investment in joint ventures is presented using the equity method at fair value of the Fund's ownership interest of the underlying entities. The fair market value of the Plan's investment in Intercontinental Real Estate Investment Fund at May 31, 2017 was \$12,806,598.

Transfers Between Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the year ended May 31, 2017, there were no transfers in or out of levels 1, 2 or 3.

(15) Party-In-Interest Transactions

The Plan investments in common collective trusts are managed by an affiliate of Bank of New York Mellon ("BNY"), the Plan's custodian. In addition, the Plan's investments in the EB Temporary Investment Fund ("EB Temp"), EB DV Non-SL Small Cap Stock Index Fund ("SIF-1"), the EB DV Non-SL Large Cap Stock Index Fund ("SIF-2"), the EB DV Non-SL International Stock Index Fund ("SIF-3"), and the Collective U.S. Government STIF ("STIF") are sponsored and managed by BNY. As such, transactions in those common collective trust funds, EB Temp, SIF-1, SIF-2, SIF-3, and STIF qualify as party-in-interest transactions.

(16) Retirement Plans

The Plan contributes to one multiemployer defined benefit pension plan under the terms of a participation agreement that covers its employees. The risks of participating in multiemployer plans are different from single employer plans in the following aspects:

- a. Assets contributed to the multiemployer plan by one company may be used to provide benefits to employees of other participating companies.
- b. If a participating company stops contributing to the plan, the unfunded obligation of the plan may be borne by the remaining participating companies.
- c. If the Fund stops participating in the multiemployer plan, and continues in business, the Fund could be required to pay an amount, referred to as withdrawal liability, based on the unfunded status of the plan. The Fund has no intention of stopping its participation in the multiemployer plan.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Notes to Financial Statements

(16) Retirement Plans (Continued)

The Plan's participation in the multiemployer plan for the annual periods ending May 31, 2017 and May 31, 2016 is outlined in the table below. The "EIN/Pension Plan Number" column provides the employer identification number (EIN) and the three-digit plan number. The zone status is based on information that the Plan received from the plan and is certified by the plan's actuary. The "FIP/RP" Status" column indicates whether a funding improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The Plan's participation agreement with the plan does not have an expiration date. There have been no significant changes that affect the comparability of 2017 and 2016 contributions.

<u>Pension Fund</u>	<u>EIN/Pension Plan Number</u>	<u>Pension Protection</u>		<u>FIP/RP</u>	<u>Contributions</u>		<u>Surcharge Imposed</u>	<u>Expiration</u>
		<u>Act Zone</u>	<u>Status</u>	<u>Status</u>	<u>of the Local</u>	<u>Collective</u>		
		<u>2017</u>	<u>2016</u>	<u>Pending/ Implemented</u>	<u>2017</u>	<u>2016</u>		<u>Bargaining Agreement</u>
Local 701 Pension Fund	13-6043977/001	Yellow	Green	N/A	\$37,557	\$37,195	No	N/A

The Local 701 Pension Fund was certified as Endangered Status (Yellow) as of June 1, 2016. The contributions represent the Plan's allocated share of the total contributions made on behalf of its employees.

Subsequent to May 31, 2017, the Plan's actuary has certified that the Pension Plan is in "Critical and Declining Status" (a Red Zone category) as of June 1, 2017 as per MEPRA. The certification indicated that the Pension Plan is projected to become insolvent in the current or next 19 years.

Other Multiemployer Plans - The Plan also contributes to a multiemployer plan that provides health and welfare benefits, including post-retirement health and welfare benefits. The Plan's allocated share of contributions to this other multiemployer plan for the years ended May 31, 2017 and 2016 amounted to \$33,705 and \$33,059, respectively.

SUPPLEMENTARY INFORMATION

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Schedules of Administrative Expenses

	<u>Years ended</u>	
	<u>May 31,</u>	
	<u>2017</u>	<u>2016</u>
Administrative Expenses:		
Salaries and Payroll Taxes	\$ 172,108	\$ 172,368
Fringe Benefits	70,763	70,257
Conferences and Meetings	6,963	17,416
Depreciation	6,480	8,407
Insurance	130,202	140,002
Real Estate Taxes	33,233	32,164
Maintenance Expenses and Fees	16,119	11,324
Utilities	15,902	15,722
Office Supplies and Expenses	2,931	3,386
Postage	4,534	5,288
Telephone	1,829	1,969
Computer Expenses and Supplies	19,105	16,920
Legal Fees	73,586	75,631
Accounting Fees	26,844	28,891
Actuarial Fees	50,000	45,000
Other Administrative	<u>17,965</u>	<u>20,073</u>
Total Administrative Expenses	<u>\$ 648,564</u>	<u>\$ 664,818</u>

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701**

Schedules of Investment Expenses

	<u>Years ended</u>	
	<u>2017</u>	<u>2016</u>
	<u>May 31,</u>	
Investment Expenses:		
Portfolio Management Fees	\$ 1,166,579	\$ 1,063,669
Custodial Fees	72,363	73,161
Investment Performance Review	<u>68,808</u>	<u>69,000</u>
Total Investment Expenses	<u>\$ 1,307,750</u>	<u>\$ 1,205,830</u>

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

Schedule H, Line 4f - Schedule of Assets (Held at End of Year)

(a)	(b)	(c)	(d)	(e)
<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>	
U.S. Government Securities:				
California St	25,000 7.600% 04/01/39	\$ 23,195	\$ 37,696	
Chicago IL	10,000 7.400% 01/01/33	9,931	10,210	
Commit to Pur FNMA Sf Mtg	190,000 2.500% 06/01/32	190,713	191,951	
Commit to Pur FNMA Sf Mtg	516,000 3.000% 06/01/47	513,440	518,843	
Commit to Pur FNMA Sf Mtg	125,000 3.500% 06/01/32	130,347	130,860	
Commit to Pur FNMA Sf Mtg	830,000 3.500% 06/01/47	850,199	857,324	
Commit to Pur FNMA Sf Mtg	250,000 4.000% 06/01/47	262,754	264,143	
Commit to Pur GNMA Sf Mtg	40,000 4.000% 06/15/47	42,195	42,329	
Commit to Pur GNMA II Jumbos	60,000 3.500% 06/20/47	62,156	62,597	
Federal Home Ln Mtg Corp	75,000 .900% 06/01/43	74,951	74,996	
FHLMC Pool #G1-2250	18,169 4.500% 06/01/21	17,178	18,845	
FHLMC Pool #G1-2334	733 5.000% 09/01/21	720	768	
FHLMC Pool #J0-4284	916 5.000% 02/01/22	899	967	
FHLMC Pool #G6-7700	89,543 3.500% 08/01/46	92,663	92,995	
FHLMC Pool #G6-0567	527,783 4.000% 06/01/43	565,222	559,708	
FHLMC Multiclass Mtg K026 A2	80,000 2.510% 11/25/22	80,609	81,382	
FNMA Pool #0AI2432	128,698 4.500% 05/01/41	134,691	140,212	
FNMA Pool #0AL4060	44,253 3.000% 09/01/43	43,811	44,725	
FNMA Pool #0AL9546	81,844 3.500% 11/01/46	84,274	85,038	
FNMA Pool #0AS0774	41,291 3.000% 10/01/43	40,872	41,736	
FNMA Pool #0AS0018	153,878 3.000% 07/01/43	148,949	155,535	
FNMA Pool #0AS6135	92,652 4.000% 11/01/45	98,327	98,540	
FNMA Pool #0AU1630	182,750 3.000% 07/01/43	182,985	184,736	
FNMA Pool #0AW8597	51,876 3.00% 08/01/29	54,421	53,559	
FNMA Pool #0AY5003	113,652 3.500% 03/01/45	118,810	117,459	
FNMA Pool #0AZ0862	200,525 3.500% 07/01/45	207,301	207,243	
FNMA Pool #0703712	3,085 5.500% 02/01/18	3,148	3,109	
FNMA Pool #0739753	6,377 5.000% 12/01/18	6,423	6,540	
FNMA Pool #0BA2907	79,814 4.000% 11/01/45	86,087	84,871	
FNMA Pool #0BC1158	296,218 3.500% 02/01/46	312,325	306,142	
FNMA Pool #0890200	24,099 6.500% 10/01/39	25,786	27,577	
Totals - Forward		\$ 4,465,382	\$ 4,502,636	

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>	
U.S. Government Securities (Continued):				
Totals - Forwarded		\$ 4,465,382	\$ 4,502,636	
FNMA Pool #0995681	31,133 6.000% 05/01/38	33,011	35,258	
FNMA Pool #0AB9516	74,815 2.500% 05/01/28	76,206	76,153	
FNMA Pool #0AD6942	113,116 5.000% 06/01/40	119,920	125,579	
GNMA Pool #0741444	65,931 4.000% 11/15/40	70,011	70,027	
Kentucky St Asset/Liability Co	37,590 3.165% 04/01/18	37,590	37,921	
Met Transprt'n Auth NY Revenue	45,000 6.687% 11/15/40	45,398	60,960	
New Jersey St Turnpike Auth	50,000 7.102% 01/01/41	50,000	71,385	
Resolution Fdg Corp Prin Strip	195,000 Var 01/15/30	108,560	135,133	
Resolution Fdg Corp Prin Strip	347,000 Var 04/15/30	242,142	238,375	
SBA Gtd Partn Ctfs 2013-20B 1	40,512 2.210% 02/01/33	40,601	40,015	
SBA Gtd Partn Ctfs 2013-20C 1	24,239 2.220% 03/01/33	24,239	24,050	
SBA Gtd Partn Ctfs 2013-20E 1	29,845 2.070% 05/01/33	27,430	29,182	
SBA Gtd Partn Ctfs 2015-20E 1	35,386 2.770% 05/01/35	35,386	35,806	
SBA Gtd Partn Ctfs 2016-20K 1	107,765 2.570% 11/01/36	107,765	108,182	
SBA Gtd Partn Ctfs 2016-20L 1	73,498 2.810% 12/01/36	73,498	74,281	
SBA Gtd Partn Ctfs 2017-20A 1	130,000 2.800% 01/01/37	130,000	131,073	
SBA Gtd Partn Ctfs 2017-20B 1	45,000 2.820% 02/01/37	45,000	45,390	
SBA Gtd Partn Ctfs 2017-20D 1	60,000 2.840% 04/01/37	60,000	60,533	
U S Treasury Bd Prin Strip	128,000 0.000% 11/15/39	45,234	67,789	
U S Treasury Bd Prin Strip	478,000 0.000% 11/15/43	210,125	219,717	
U S Treasury Bond	240,000 3.000% 02/15/47	239,653	246,694	
U S Treasury Note	682,000 1.375% 02/15/20	679,906	681,679	
U S Treasury Note	364,000 1.500% 04/15/20	364,989	364,797	
U S Treasury Note	572,000 2.375% 05/15/27	574,311	581,003	
U S Treasury Note	491,000 1.500% 05/15/20	490,079	491,977	
U S Treasury Note	429,000 1.750% 05/31/22	428,598	429,017	
U S Treasury Note	264,000 1.250% 05/31/19	263,794	263,836	
U S Treasury Note	362,000 2.000% 05/31/24	360,407	361,689	
Utah St	100,000 4.554% 07/01/24	101,207	110,448	
Total U.S. Government Securities - Forward		\$ 9,550,442	\$ 9,720,585	

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
	Corporate Bonds:			
	AT&T Inc	35,000	37,328	36,457
	AT&T Inc	24,000	24,736	24,499
	AT&T Inc	20,000	19,906	20,967
	Allergan Funding Scs	40,000	41,245	41,411
	American Electric Power Co Inc	52,000	52,007	51,999
	Amgen Inc	25,000	24,313	25,284
	Anadarko Petroleum Corp	13,000	15,383	15,473
	Anheuser-Busch Inbev Finance I	37,000	39,411	40,804
	Apple Inc	26,000	25,970	28,959
	Arizona Public Service Co	20,000	19,907	19,125
	BMW Vehicle Lease Trust 1 A2	25,000	24,997	25,041
	BMW Vehicle Lease Trust 2 2 A2	42,003	42,000	41,974
	Bank of America Corp	75,000	76,173	76,337
	Bank of America Corp	105,000	105,039	106,593
	Becton Dickinson and Co	11,000	11,642	11,171
	Becton Dickinson and Co	40,000	40,000	40,008
	Berkshire Hathaway Inc	13,000	13,497	14,307
	Broadcom Corp / Broadcom 144A	61,000	61,865	62,014
	Burlington Northern Santa Fe L	10,000	10,100	11,264
	CMS Energy Corp	15,000	14,952	15,291
	CNA Financial Corp	70,000	72,404	78,416
	CNH Equipment Trust 2014- C A3	18,362	18,362	18,340
	CNH Equipment Trust 2016- C A3	9,000	8,998	8,949
	CNH Equipment Trust 2017- A A2	55,000	54,998	55,166
	CSX Corp	37,000	36,955	37,464
	Cabela's Credit Card Mast 2 A1	30,000	29,988	30,268
	Canadian Natural Resources Ltd	20,000	19,072	23,842
	Canadian Natural Resources Ltd	30,000	33,690	36,713
	Canadian Pacific Railway Co	25,000	27,791	27,181
	Capital One Financial Corp	56,000	54,487	55,141
	Capital One Multi-Asset A2 A2	75,000	74,997	75,695
	Capital One Multi-Asset A3 A3	75,000	74,966	76,261
	CarMax Auto Owner Trust 2 4 A3	35,000	34,991	34,767
	CarMax Auto Owner Trust 2 1 A3	25,000	24,995	25,185
	Totals - Forward		\$ 1,267,165	\$ 1,292,366

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>	
Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585	
Corporate Bonds: (Continued):				
Totals - Forwarded		1,267,165	1,292,366	
Caterpillar Financial Services	55,000	54,878	55,327	
Caterpillar Financial Services	40,000	39,416	39,138	
Celanese Us Holdings LLC	40,000	45,520	45,064	
Cenovus Energy Inc	23,000	26,408	25,710	
Chase Issuance Trust A4 A4	100,000	99,967	100,313	
Citigroup Inc	35,000	35,641	36,266	
Columbia Pipeline Group Inc	15,000	15,015	17,951	
Comcast Corp	24,000	20,431	21,542	
Commonwealth Edison Co	20,000	19,926	21,500	
Conagra Brands Inc	40,000	40,430	40,562	
Consolidated Edison Co of New	20,000	20,039	19,893	
Consolidated Edison Inc	20,000	19,988	19,819	
DTE Energy Co	110,000	106,848	105,153	
John Deere Capital Corp	25,000	25,000	25,048	
Delphi Automotive Plc	10,000	9,945	9,822	
Deutsche Telekom International	20,000	33,105	31,758	
Dell International LLC / 144A	25,000	24,993	26,345	
Discover Card Execution A2 A2	325,000	324,848	329,345	
Discover Financial Services	60,000	60,642	65,201	
Dominion Energy Inc	26,000	26,503	26,966	
Duke Energy Corp	35,000	32,230	32,947	
Duke Energy Progress LLC	10,000	10,204	10,506	
Erac USA Finance LLC 144A	10,000	9,967	9,755	
Erac USA Finance LLC 144A	40,000	39,926	38,863	
Kinder Morgan Inc/De	16,000	18,953	19,741	
Kinder Morgan Inc/De	13,000	15,668	16,715	
Enterprise Products Operating	44,000	43,064	44,000	
Express Scripts Holding Co	40,000	40,899	42,046	
FedEx Corp	21,000	20,947	21,037	
Fifth Third Bancorp	120,000	119,831	120,722	
Ford Credit Auto Owne 1 A 144A	100,000	100,000	100,987	
Ford Credit Auto Owne 2 A 144A	190,000	187,388	189,225	
Ford Credit Auto Owner Tr C A3	5,000	4,999	4,970	
Totals - Forward		\$ 2,960,784	\$ 3,006,603	

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
Corporate Bonds: (Continued):				
	Totals - Forwarded		2,960,784	3,006,603
	Ford Credit Auto Owner Tr A A3	37,000	36,999	36,956
	Forest Laboratories LLC 144A	16,000	16,809	16,549
	Wells Fargo Dealer Floorpl 1 A	60,000	59,686	60,114
	GE Capital International Fundi	40,000	40,309	40,409
	GS Mortgage Securities Gc13 A5	45,000	46,253	48,884
	GM Financial Automobile L 3 A3	12,000	12,000	12,000
	GM Financial Automobile 1 A2a	25,000	24,997	25,031
	HSBC Holdings Plc	65,000	66,746	67,582
	Home Depot Inc/The	31,000	31,529	31,637
	Honda Auto Receivables 20 3 A3	49,836	49,835	49,812
	Huntington Bancshares Inc/Oh	90,000	90,706	103,487
	Hyundai Auto Receivables A A2a	50,000	50,000	50,017
	JPMorgan Chase & Co	195,000	196,695	199,957
	JP Morgan Chase Commerci C8 A3	70,000	72,182	71,347
	JP Morgan Chase Commerc Lc9 A5	100,000	102,500	101,376
	JPMBB Commercial Mortga C14 A4	30,000	30,900	32,390
	JPMBB Commercial Mortga C26 A4	75,000	75,598	77,870
	John Deere Owner Trust 20 B A3	20,000	19,998	19,915
	Johnson & Johnson	28,000	27,926	27,824
	Kansas City Southern	23,000	23,896	24,590
	Kinder Morgan Energy Partners	20,000	22,105	23,319
	Kroger Co/The	30,000	31,705	40,917
	LB Commercial Mortgage T C3 Am	45,000	50,395	45,014
	Lincoln National Corp	22,000	22,334	24,914
	Lockheed Martin Corp	45,000	48,446	50,210
	Loews Corp	76,000	77,097	79,479
	Lowe's Cos Inc	16,000	15,839	17,109
	Lyondellbasell Industries Nv	26,000	24,410	25,478
	Macy's Retail Holdings Inc	13,000	10,019	9,960
	McDonald's Corp	9,000	8,967	9,963
	Medtronic Inc	55,000	55,862	57,166
	Mercedes-Benz Auto Receiv 1 A3	55,000	54,993	54,722
	MetLife Inc	50,000	50,175	54,848
	Totals - Forward		\$ 4,508,695	\$ 4,597,449

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
Corporate Bonds: (Continued):				
	Totals - Forwarded		4,508,695	4,597,449
	Berkshire Hathaway Energy Co	30,000	32,411	38,339
	Molson Coors Brewing Co	20,000	18,577	21,854
	Molson Coors Brewing Co	20,000	20,153	19,229
	Morgan Stanley	45,000	46,437	46,964
	Morgan Stanley Bank of C20 A3	60,000	60,597	60,290
	Morgan Stanley Capital Ubs9 A4	20,000	21,500	20,873
	NiSource Finance Corp	25,000	26,131	26,173
	NiSource Finance Corp	10,000	11,021	10,847
	Nissan Auto Lease Trust B A2a	30,842	30,839	30,812
	Nissan Auto Receivables 2 A A3	25,000	24,994	24,953
	Nissan Auto Receivables 2 C A3	28,000	27,997	27,823
	Noble Energy Inc	6,000	5,047	6,241
	Noble Energy Inc	17,000	12,493	17,618
	Oracle Corp	12,000	11,736	11,885
	Pacific Gas & Electric Co	25,000	30,323	32,125
	Plains All American Pipeline L	25,000	24,514	28,553
	Plains All American Pipeline L	5,000	3,684	4,870
	Plains All American Pipeline L	15,000	11,331	13,836
	Plains All American Pipeline L	25,000	22,997	23,627
	President & Fellows of Harvard	7,000	6,988	6,667
	Principal Financial Group Inc	30,000	29,552	29,721
	Prudential Financial Inc	40,000	39,999	44,353
	Regions Financial Corp	40,000	40,508	40,985
	Sempra Energy	70,000	69,617	70,354
	Sempra Energy	24,000	24,933	25,439
	Sempra Energy	24,000	23,501	24,183
	Southern California Edison Co	20,000	21,332	21,256
	Southern Co/The	43,000	42,217	42,245
	Teachers Insurance & Annu 144A	50,000	49,840	51,277
	Telefonica Emisiones Sau	40,000	45,190	43,137
	Toledo Edison Co/The	10,000	11,602	12,468
	Toyota Auto Receivables 2 B A3	30,000	29,998	30,093
	Toyota Auto Receivables 2 D A3	50,000	49,994	49,730
	Totals - Forward		\$ 5,436,748	\$ 5,556,269

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
Corporate Bonds: (Continued):				
	Totals - Forwarded		5,436,748	5,556,269
	Toyota Motor Credit Corp	75,000	75,000	75,342
	Transalta Corp	55,000	54,956	55,000
	21st Century Fox America Inc	3,000	3,911	3,770
	21st Century Fox America Inc	26,000	30,092	31,824
	Union Pacific Corp	30,000	32,340	32,619
	Us Bancorp	27,000	27,106	26,965
	United Technologies Corp	28,000	30,095	30,453
	Verizon Communications Inc	16,000	15,231	15,764
	Verizon Communications Inc	32,000	33,559	31,806
	Verizon Communications Inc	5,000	4,985	5,101
	Voya Financial Inc	35,000	34,925	35,365
	Voya Financial Inc	11,000	10,845	11,440
	Wamu Mortgage Pass-Throu Ar8 A	64,139	64,929	65,351
	WFRBS Commercial Mortgag C9 A3	65,000	66,622	66,225
	Wal-Mart Stores Inc	60,000	57,895	61,000
	Walgreens Boots Alliance Inc	20,000	19,945	20,236
	Wells Fargo & Co	110,000	104,748	106,847
	Williams Partners LP	20,000	21,104	23,638
	Williams Partners LP	33,000	31,502	33,498
	Wee Energy Group Inc	5,000	4,999	5,196
	World Financial Network Cr B A	80,000	79,987	81,209
	World Omni Automobile Lea A A3	40,000	39,995	39,852
	World Omni Auto Receivabl A A3	50,000	49,990	50,076
	Total Corporate Bonds - Forward		<u>6,331,509</u>	<u>6,464,846</u>
Preferred Stock:				
	BNSF Funding Trust I	25,000	Var 12/15/55	23,750
	Bank of New York Mellon Corp/T	24,000	Var 12/29/49	23,541
	Chubb Corp/The	63,000	Var 03/29/67	62,393
	Nextera Energy Capital Holding	19,000	Var 09/01/67	19,310
	First Maryland Capital I	30,000	Var 01/15/27	26,738
	Totals - Forward		\$ 155,732	\$ 162,619

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>	
Total U.S. Government Securities - Forwarded			\$ 9,550,442	\$ 9,720,585
Total Corporate Bonds - Forwarded			6,331,509	6,464,846
Preferred Stock (Continued):				
Totals - Forwarded			155,732	162,619
First Maryland Capital II	65,000	Var 02/01/27	57,556	60,450
General Electric Co	114,000	Var 12/29/49	117,508	120,304
JPMorgan Chase & Co	98,000	Var 12/29/49	102,441	101,704
JPMorgan Chase & Co	83,000	Var 12/29/49	86,906	86,374
JPMorgan Chase & Co	33,000	Var 12/29/49	33,990	35,083
JPMorgan Chase & Co	15,000	Var 10/29/49	15,257	16,144
Keycorp Capital I	27,000	Var 07/01/28	24,598	24,503
M&T Bank Corp	25,000	Var 12/29/49	25,281	25,625
Northern Trust Corp	16,000	Var 12/29/49	16,050	16,080
State Street Corp	70,000	Var 06/01/77	61,536	65,100
SunTrust Capital I	37,000	Var 05/15/27	31,703	34,040
Wachovia Capital Trust II	146,000	Var 01/15/27	134,334	136,510
Wells Fargo & Co	23,000	Var 03/29/49	24,010	23,886
Wells Fargo & Co	37,000	Var 12/29/49	38,164	39,265
Total Preferred Stock - Forward			925,066	947,687
Common Stock:				
Pandora A/S	8,176		1,015,959	775,471
Orsted A/S	28,949		1,098,766	1,265,006
Continental Ag	4,999		1,065,858	1,113,032
Rheinmetall Ag	14,394		866,910	1,382,775
MTU Aero Engines Ag	4,601		546,476	649,832
Mediaset Espana Comunicacion S	91,686		1,103,057	1,232,571
Ferrovial Sa	55,733		1,114,885	1,256,882
Red Electrica Corp Sa	28,281		433,584	635,245
Christian Dior Se	2,476		370,161	707,759
Cie De Saint-Gobain	13,925		675,592	779,410
Groupe Eurotunnel Se	111,162		1,285,754	1,310,643
Koninklijke Kpn Nv	53,389		182,251	182,089
ASML Holding Nv	8,441		1,025,117	1,115,299
Totals - Forward			\$ 10,784,370	\$ 12,406,014

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
	Total Corporate Bonds - Forwarded		6,331,509	6,464,846
	Total Preferred Stock - Forwarded		925,066	947,687
Common Stock (Continued):				
	Totals - Forwarded		10,784,370	12,406,014
	Henderson Land Development Co	181,965	1,043,769	1,175,745
	Galaxy Entertainment Group Ltd	230,000	932,550	1,329,685
	Fujitsu Ltd	184,408	984,205	1,347,061
	Murata Manufacturing Co Ltd	8,527	1,065,879	1,183,609
	Nippon Telegraph & Telephone C	29,422	1,101,721	1,412,235
	Softbank Group Corp	19,589	957,892	1,594,789
	Shimano Inc	3,382	551,531	526,024
	Sony Corp	32,846	740,080	1,198,180
	Suzuki Motor Corp	27,710	992,936	1,306,756
	Toyota Motor Corp	20,751	1,101,226	1,113,125
	DNB Asa	75,118	1,132,803	1,276,285
	Marine Harvest Asa	35,615	636,702	625,833
	Standard Chartered Plc	79,392	1,532,715	750,132
	Sercos Group Plc	154,325	725,170	236,481
	Lloyds Banking Group Plc	1,306,222	1,237,516	1,190,336
	Carnival Plc	21,853	1,069,526	1,402,093
	Rentokil Initial Plc	353,675	1,000,782	1,212,668
	Roche Holding Ag	4,337	1,014,278	1,191,437
	AT&T Inc	26,404	961,809	1,017,346
	Advance Auto Parts Inc	5,400	375,417	721,602
	Alliance Data Systems Corp	3,000	798,896	723,390
	Allstate Corp/The	6,199	247,367	535,222
	Alphabet Inc-CI A	1,650	808,124	1,628,699
	American Electric Power Co Inc	5,670	236,967	406,993
	American Express Co	4,770	345,411	367,004
	Ameriprise Financial Inc	3,260	248,519	393,775
	Amgen Inc	1,770	246,777	274,775
	Amphenol Corp	13,500	253,022	1,007,100
	Antero Resources Corp	9,380	242,185	192,947
	Totals - Forward		\$ 33,370,145	\$ 39,747,341

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
	Total Corporate Bonds - Forwarded		6,331,509	6,464,846
	Total Preferred Stock - Forwarded		925,066	947,687
Common Stock (Continued):				
	Totals - Forwarded		33,370,145	39,747,341
	Apple Inc	12,000	372,916	1,833,120
	Apple Inc	2,060	194,642	314,686
	Bank of America Corp	50,020	779,072	1,120,948
	Berkshire Hathaway Inc	4,500	343,587	743,760
	Berkshire Hathaway Inc	1,330	147,870	219,822
	Booz Allen Hamilton Holding Co	7,550	278,223	297,772
	CBS Corp	6,310	293,416	385,604
	CVS Health Corp	10,000	809,687	768,300
	Celgene Corp	3,450	402,038	394,715
	Celgene Corp	7,900	923,235	903,839
	Chevron Corp	7,355	652,718	761,095
	Cisco Systems Inc	22,315	561,432	703,592
	Cognizant Technology Solutions	15,800	582,186	1,057,178
	Comcast Corp	14,140	379,836	589,497
	ConocoPhillips	9,065	436,496	405,115
	Cracker Barrel Old Country Sto	5,300	700,518	884,093
	Cummins Inc	2,130	336,426	335,901
	DTE Energy Co	4,310	310,104	472,031
	Danaher Corp	3,570	288,831	303,236
	Delta Air Lines Inc	9,780	416,908	480,491
	Walt Disney Co/The	4,730	517,739	510,556
	Discover Financial Services	7,506	299,392	440,602
	Dollar Tree Inc	13,250	597,107	1,029,525
	Dow Chemical Co/The	12,000	626,156	743,520
	Eog Resources Inc	6,210	466,007	560,825
	Ecolab Inc	7,300	418,251	969,732
	Edison International	7,040	437,879	574,253
	Energen Corp	5,450	320,331	310,868
	Equity Lifestyle Properties In	4,140	250,042	349,416
	Totals - Forward		\$ 46,513,190	\$ 58,211,433

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
	Total Corporate Bonds - Forwarded		6,331,509	6,464,846
	Total Preferred Stock - Forwarded		925,066	947,687
Common Stock (Continued):				
	Totals - Forwarded		46,513,190	58,211,433
	Exxon Mobil Corp	7,640	633,575	615,020
	Fastenal Co	15,200	614,170	656,184
	Foot Locker Inc	5,400	391,191	320,814
	General Electric Co	8,765	230,413	239,986
	Halliburton Co	7,030	352,184	317,686
	Hershey Co/The	3,780	410,792	435,721
	Hewlett Packard Enterprise Co	16,690	272,199	313,939
	Hill-Rom Holdings Inc	2,650	172,605	205,004
	Home Depot Inc/The	1,700	156,084	260,967
	Huntington Bancshares Inc/Oh	36,920	477,994	462,977
	Intel Corp	9,265	298,120	334,559
	JPMorgan Chase & Co	15,295	716,166	1,256,484
	Johnson & Johnson	3,640	278,822	466,830
	Kroger Co/The	9,210	278,254	274,274
	Eli Lilly & Co	4,580	336,094	364,431
	MasterCard Inc	8,150	173,302	1,001,472
	Maximus Inc	16,000	958,150	993,280
	MetLife Inc	4,695	207,473	237,520
	Microsoft Corp	7,525	353,952	525,546
	Middleby Corp/The	7,100	644,915	911,356
	Morgan Stanley	7,730	337,396	322,650
	Northrop Grumman Corp	2,150	298,064	557,323
	Novo Nordisk A/S	18,000	192,151	762,660
	Nucor Corp	6,990	426,354	406,119
	Oracle Corp	13,850	615,076	628,652
	PVH Corp	3,360	376,647	355,992
	Parker-Hannifin Corp	3,800	541,529	598,386
	PepsiCo Inc	7,000	441,486	818,090
	PepsiCo Inc	4,890	460,516	571,494
	Totals - Forward		\$ 58,158,864	\$ 73,426,849

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>
	Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585
	Total Corporate Bonds - Forwarded		6,331,509	6,464,846
	Total Preferred Stock - Forwarded		925,066	947,687
Common Stock (Continued):				
	Totals - Forwarded		58,158,864	73,426,849
	Pfizer Inc	19,144	561,730	625,052
	Phillips 66	13,800	715,537	1,050,318
	Priceline Group Inc/The	850	508,562	1,595,527
	Procter & Gamble Co/The	5,520	429,948	486,257
	Prologis Inc	7,790	381,794	432,657
	Public Service Enterprise Grou	12,310	532,049	552,842
	Pultegroup Inc	17,850	356,614	404,660
	Qualcomm Inc	7,850	475,340	449,570
	Quanta Services Inc	10,340	380,892	317,024
	Raytheon Co	1,740	152,747	285,377
	Sherwin-Williams Co/The	3,600	933,432	1,194,372
	Stanley Black & Decker Inc	3,370	412,495	463,847
	Starbucks Corp	21,000	766,274	1,335,810
	State Street Corp	6,940	427,335	565,332
	SunTrust Banks Inc	11,630	468,329	620,693
	TJX Cos Inc/The	16,100	803,100	1,210,881
	Thermo Fisher Scientific Inc	8,200	525,334	1,416,878
	Tyson Foods Inc	6,250	391,777	358,375
	Union Pacific Corp	8,620	859,508	950,786
	United Technologies Corp	6,600	406,969	800,448
	UnitedHealth Group Inc	2,440	348,188	427,439
	Valero Energy Corp	5,070	335,939	311,653
	Visa Inc	10,200	229,201	971,346
	Walgreens Boots Alliance Inc	8,900	732,889	721,078
	Waste Management Inc	6,830	369,475	497,975
	Wells Fargo & Co	17,800	615,216	910,292
	Wells Fargo & Co	9,920	421,878	507,309
	Westrock Co	7,200	381,284	391,824
	Xcel Energy Inc	10,060	420,029	481,975
	Totals - Forward		\$ 72,502,729	\$ 93,764,446

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

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

(a)	(b)	(c)	(d)	(e)
<u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	<u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>	<u>Cost</u>	<u>Current Value</u>	
Total U.S. Government Securities - Forwarded		\$ 9,550,442	\$ 9,720,585	
Total Corporate Bonds - Forwarded		6,331,509	6,464,846	
Total Preferred Stock - Forwarded		925,066	947,687	
Common Stock (Continued):				
Totals - Forwarded		72,502,729	93,764,446	
Samsung Electronics Co Ltd	1,622	801,997	1,610,646	
Allergan Plc	3,100	730,986	693,625	
Medtronic Plc	5,700	478,221	480,396	
Chubb Ltd	5,700	305,418	816,183	
Chubb Ltd	5,140	613,799	735,997	
Lyondellbasell Industries Nv	2,205	168,317	177,547	
Samsung Electronics Co Ltd	71	63,983	70,502	
Total Common Stock		75,665,450	98,349,342	
Common Collective Trusts:				
*EB Temp Inv Fd	1,869,438	Var 12/31/40	1,869,438	1,869,438
*EB Temp Inv Fd	1,967,679	Var 12/31/49	1,967,679	1,967,679
*EB Dv Nsl Intl Sif	67,017	Var Var	12,248,609	13,725,811
*EB Dv Nsl Small Cap Sif	36,122	Var Var	5,578,026	8,907,574
*EB Dv Nsl Leg Sif	21,166	Var Var	2,679,725	6,008,560
*Collective Us Gov't Stif 20	794,645	Var 12/31/49	794,645	794,645
Total Common Collective Trusts			25,138,122	33,273,707
Registered Investment Companies:				
Pimco All Asset Fund Institutional	2,774,150	N/A N/A	33,738,493	32,984,646
Partnership/Joint Ventures:				
Entrust Capital Spec Opp Fund Ltd.	16,394,854	N/A N/A	13,727,626	16,375,717
Crescent Capital High Income	23,496,772	N/A N/A	22,755,894	23,496,772
U S Real Estate Investment	11,868	N/A N/A	12,104,696	12,806,598
Total Partnerships/Joint Ventures			48,588,216	52,679,087
Total Investments			\$ 199,937,298	\$ 234,419,900

* Represents a party-in-interest

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

Schedule H, Line 4i - Schedule of Assets (Acquired and Disposed of Within the Plan Year)

(a) <u>Identity of Issue, Borrower, Lessor, or Similar Party</u>	(b) <u>Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value</u>			(c) <u>Cost of Acquisitions</u>	(d) <u>Proceeds of Dispositions</u>
Aetna Inc.	65,000	3.200%	06/15/26	\$ (64,955)	\$ 65,045
CSMC Trust	70,000	Var Rt	12/15/49	(72,099)	72,450
Cenovus Energy Inc	45,000	5.400%	06/15/47	(44,952)	44,784
Express Scripts Holding Co	16,000	4.800%	07/15/46	(15,279)	15,548
Ford Credit Floorplan	50,000	Var Rt	08/15/19	(50,035)	50,041
Great Plains Energy Inc	20,000	3.900%	04/01/27	(19,924)	20,231
Harley-Davidson Motorcycle	42,165	1.300%	03/16/20	(42,231)	42,132
Keycorp	39,000	Var Rt	12/29/49	(39,000)	39,015
Lam Research Corp	15,000	3.900%	06/15/26	(15,213)	15,213
Microsoft Corp	80,000	1.550%	08/08/21	(79,977)	78,097
Microsoft Corp	34,000	2.875%	02/06/24	(33,752)	34,415
NTC Capital	30,000	Var Rt	01/15/27	(26,831)	27,465
TransCanada Trust	50,000	Var Rt	03/15/77	(50,000)	50,300
Viacom, Inc	13,000	3.450%	10/04/26	(12,933)	12,485
Woodside Finance, Ltd	30,000	3.700%	09/15/26	(29,980)	29,107
World Omni Automobile	50,000	1.540%	10/15/18	(50,145)	50,055

See Independent Auditors' Report.

**PENSION FUND OF THE WELFARE AND PENSION FUND
MID JERSEY TRUCKING INDUSTRY LOCAL NO. 701
EIN #13-6043977
PLAN NO. 001 - PLAN YEAR ENDED MAY 31, 2017**

Schedule H, Line 4j - Schedule of Reportable Transactions

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<u>Identity of Party Involved</u>	<u>Description of Asset</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Lease Rental</u>	<u>Expense Incurred with Transaction</u>	<u>Cost of Asset</u>	<u>Current Value of Asset on Transaction Date</u>	<u>Net Gain or (Loss)</u>
	Pimco All Asset Fund Inst	\$ 3,371,474	\$12,000,000	N/A	N/A	\$12,991,503	\$12,000,000	\$ (991,503)
*	EB Temp Inv Fd	15,805,961	16,180,493	N/A	N/A	16,180,493	16,180,493	-
*	EB Temp Inv Fd	11,632,965	10,816,073	N/A	N/A	10,816,073	10,816,073	-
*	EB DV NSL Small Cap SIP	8,001,389	12,006,383	N/A	N/A	8,001,389	12,006,383	4,004,994
*	Collective US Govt STIP	10,057,702	10,015,995	N/A	N/A	10,015,995	10,015,995	-
	US Real Estate Investment Fund LLC	12,104,696	-	N/A	N/A	12,014,696	12,014,696	-

* Represents a party-in-interest

See Independent Auditors' Report.