

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 07/01/2022 and ending 02/28/2023

- A** This return/report is for:
 - a multiemployer plan
 - a single-employer plan
 - a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
 - a DFE (specify) _____
- B** This return/report is:
 - the first return/report
 - the final return/report
 - an amended return/report
 - a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ▶
- D** Check box if filing under:
 - Form 5558
 - automatic extension
 - special extension (enter description)
 - the DFVC program
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>NAVARRO & WRIGHT CONSULTING ENGINEERS, INC. MEDICAL PLAN</u>	1b Three-digit plan number (PN) ▶ <u>502</u>
	1c Effective date of plan <u>05/01/2016</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>NAVARRO & WRIGHT CONSULTING ENGINEERS, INC.</u> <u>151 RENO AVENUE</u> <u>NEW CUMBERLAND, PA 17070</u>	2b Employer Identification Number (EIN) <u>25-1799858</u>
	2c Plan Sponsor's telephone number <u>717-441-2216</u>
	2d Business code (see instructions) <u>541330</u>

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

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

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>12/11/2023</u>	<u>ROBERT BLITZ</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>12/11/2023</u>	<u>ROBERT BLITZ</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 130
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). 6a(1) Total number of active participants at the beginning of the plan year 6a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 130 6a(2) 0 6b 0 6c 0 6d 0 6e 6f 6g 6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions: 4A	
9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input checked="" type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input checked="" type="checkbox"/> General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) <input type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> A (Insurance Information) (4) <input type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning 07/01/2022 and ending 02/28/2023

A Name of plan <u>NAVARRO & WRIGHT CONSULTING ENGINEERS, INC. MEDICAL PLAN</u>	B Three-digit plan number (PN) ► <u>502</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NAVARRO & WRIGHT CONSULTING ENGINEERS, INC.</u>	D Employer Identification Number (EIN) <u>25-1799858</u>

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	9427	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	179087	0
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests.....	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	188514	0
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j	9427	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	9427	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	179087	0

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	203370	
(B) Participants.....	2a(1)(B)	0	
(C) Others (including rollovers).....	2a(1)(C)	0	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		203370
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	323	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		323
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		203693
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	201665	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		201665
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees.....	2i(2)	6009	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		6009
j Total expenses. Add all expense amounts in column (b) and enter total	2j		207674
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-3981
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan.....	2l(2)		175106

Part III Accountant's Opinion

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

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

- (1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

- (1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: TROUT CPA

(2) EIN: 23-1551315

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....	4b	X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c	X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d	X	
e Was this plan covered by a fidelity bond?.....	4e	X	500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f	X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g	X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h	X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	4i	X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j	X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	4k	X	
l Has the plan failed to provide any benefit when due under the plan?.....	4l	X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	4m	X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	4n		

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

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
NAVARRO & WRIGHT CONSULTING ENGINEERS, INC. EMPLOYEE BENEFIT PLAN	25-1799858	501

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

Period From July 1, 2022 to February 28, 2023 and Year
Ended June 30, 2022



Navarro & Wright Consulting Engineers, Inc. Medical Plan

Financial Statements with Supplementary Information -
Modified Cash Basis

Period From July 1, 2022 to February 28, 2023 and Year Ended June 30, 2022

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator
Navarro & Wright Consulting Engineers, Inc. Medical Plan
New Cumberland, Pennsylvania

Opinion

We have audited the accompanying financial statements of **Navarro & Wright Consulting Engineers, Inc. Medical Plan** (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits - modified cash basis as of February 28, 2023 and June 30, 2022, and the related statements of changes in net assets available for benefits - modified cash basis for the period from July 1, 2022 to February 28, 2023 and year ended June 30, 2022, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of **Navarro & Wright Consulting Engineers, Inc. Medical Plan** as of February 28, 2023 and June 30, 2022, and the changes in its net assets available for benefits for the period from July 1, 2022 to February 28, 2023 and for the year ended June 30, 2022, in accordance with the modified cash basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Navarro & Wright Consulting Engineers, Inc. Medical Plan** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Plan Termination

As described in Note 7 to the financial statements, the **Navarro & Wright Consulting Engineers, Inc. Medical Plan** was effectively terminated as of February 28, 2023. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Navarro & Wright Consulting Engineers, Inc. Medical Plan's** ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 **Navarro & Wright Consulting Engineers, Inc. Medical Plan's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Navarro & Wright Consulting Engineers, Inc. Medical Plan's** ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of reportable transactions - modified cash basis for the period of July 1, 2022 to February 28, 2023 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of 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 GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



December 7, 2023
Lancaster, Pennsylvania

Navarro & Wright Consulting Engineers, Inc. Medical Plan

STATEMENTS of NET ASSETS AVAILABLE for BENEFITS -

Modified Cash Basis

February 28, 2023 and June 30, 2022

	2023	2022
ASSETS		
Investments:		
Money Market Deposit Account, Interest Bearing	\$ -0-	\$ 179,087
Recoverables:		
Due from Insurance Company for Claims	<u>-0-</u>	<u>9,427</u>
TOTAL ASSETS	-0-	188,514
LIABILITIES		
Deferred Employer Contributions	<u>-0-</u>	<u>9,427</u>
NET ASSETS AVAILABLE for BENEFITS	<u>\$ -0-</u>	<u>\$ 179,087</u>

See notes to financial statements.

Navarro & Wright Consulting Engineers, Inc. Medical Plan
 STATEMENTS of CHANGES in NET ASSETS AVAILABLE for BENEFITS -
 Modified Cash Basis
 Period From July 1, 2022 to February 28, 2023 and Year Ended June 30, 2022

	2023	2022
ADDITIONS		
Contributions:		
Employer	\$ 203,370	\$ 1,019,031
Participants	<u>-0-</u>	<u>400,019</u>
Total Contributions	203,370	1,419,050
COBRA Deposits	-0-	13,067
Interest Income	<u>323</u>	<u>403</u>
Total Additions	203,693	1,432,520
DEDUCTIONS		
Payments for Claims, net	201,665	913,924
Payments for Excess Loss Premiums	-0-	277,266
Administrative Fees	<u>6,009</u>	<u>66,505</u>
Total Deductions	<u>207,674</u>	<u>1,257,695</u>
NET INCREASE (DECREASE)	(3,981)	174,825
TRANSFER of PLAN ASSETS (Note 7)	(175,106)	-0-
NET ASSETS AVAILABLE for BENEFITS		
Beginning of Period	<u>179,087</u>	<u>4,262</u>
End of Period	<u><u>\$ -0-</u></u>	<u><u>\$ 179,087</u></u>

See notes to financial statements.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

NOTES to FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION of the PLAN

The following description of the **Navarro & Wright Consulting Engineers, Inc. Medical Plan** (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General

The Plan provides medical and prescription health benefits covering substantially all employees of Navarro & Wright Consulting Engineers, Inc. (the Corporation). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). This Plan includes self-insured medical and prescription health benefits.

Benefits

The Plan provides medical and prescription health benefits covering full-time employees, scheduled to work at least 30 hours per week, of the Corporation and their dependents on the first day following 30 days of active service. New employees must enroll within 30 days of eligibility or enrollment is not permitted until an annual enrollment period that is held each year. An eligible employee who has terminated employment with the Corporation and is later rehired within 13 weeks, will be offered enrollment of the same election of benefits upon rehire.

Self-Insured Benefits

The medical and prescription health benefits are self-insured by the Corporation. The claims for these self-insured benefits are processed by the Plan's third-party administrators (TPAs) under administrative services only (ASO) arrangements. The TPAs pay claims directly to or on behalf of participants. The payments for these claims are paid by the Plan's trust account, which is funded by the general assets of the Corporation and employee payroll deductions. Claims can be paid from employer general assets. Despite the Plan's utilization of TPAs for claims processing, the ultimate responsibility for payments to providers and participants is retained by the Plan.

Stop-Loss Coverage

The Corporation has entered into a stop-loss insurance arrangement in an effort to limit its exposure for self-insured health benefits (individual participant claims over a specific dollar amount) as well as its aggregate exposure for all claims.

Contributions

The Corporation shall periodically deliver to the Plan such amounts of money as shall be necessary for timely payment of all claims and reasonable administrative expenses of the Plan. The Corporation provides for stop-loss insurance over a specified amount as per agreement with the excess loss carrier, with the premiums being paid from the general assets of the Plan Sponsor. Participant contributions represent a percentage of participant and dependent costs. The Plan is contributory.

COBRA - Consolidated Omnibus Budget Reconciliation Act

Generally effective for Plan years beginning on or after July 1, 1986, the Plan is required to offer continuation of benefits for a specified period of time to qualified participants and their dependents who would not otherwise be eligible for continued coverage because of a particular qualifying event as required by law. Each qualifying individual pays his/her premium directly to the third-party administrators, which is shown as COBRA deposits. COBRA claims and other COBRA expenses are paid by the TPAs.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

NOTES to FINANCIAL STATEMENTS

(Continued)

NOTE 1 - DESCRIPTION of the PLAN (Continued)

Termination of the Plan

The Corporation has the right under the Plan to modify the benefits provided to and contributions required of participants, to discontinue its contributions at any time, and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, the Corporation must pay the claims incurred and expenses of the Plan due up to the date of termination plus extended benefits, if any, provided under the Plan. Also, remaining assets will be applied in a uniform and nondiscriminatory manner toward the provision of benefits for or on account of the participants. No assets of the Plan may revert to the Corporation or be used for purposes other than that for the exclusive benefit to the Plan's participants. As of February 28, 2023, the Plan was terminated. See Note 7 for further information regarding the termination of the Plan.

NOTE 2 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Plan follows the practice of presenting its financial statements in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (US GAAP). Under the modified cash basis of accounting, only revenues collected, costs and expenses paid, and assets and liabilities arising as a result of cash transactions or from the recognition of income due from insurance companies for claims paid or deferred employer contributions are recognized. Investments are recorded at fair value. Therefore, accrued income and expenses, payables, and deferred expenses, which may be material in amount, are not reflected on the accompanying financial statements.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Interest income is recorded when received by the custodian. Net appreciation (depreciation), if any, includes the Plan's gains and losses on investments bought and sold, as well as held during the period.

Payment of Benefits

Claims payments are recorded when paid by the TPAs. Out of network fees associated with claims are recorded in benefit payments.

Excess loss premiums and insurance premiums paid are recorded as payments in the accompanying statements of changes in net assets available for benefits - modified cash basis.

Administrative Expenses

Administrative fees paid by the Corporation are recorded in the accompanying statements of changes in net assets available for benefits - modified cash basis.

Certain indirect administrative expenses associated with the Plan are paid by the Corporation.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

NOTES to FINANCIAL STATEMENTS

(Continued)

NOTE 2 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Stop-Loss

Premiums for stop-loss insurance are paid by the Corporation and recorded in the accompanying statements of changes in net assets available for benefits - modified cash basis. Stop-loss refunds totaling \$40,835 and \$74,249 for the period ended February 28, 2023 and the year ended June 30, 2022, respectively, have been netted with claims paid in the accompanying statements of changes in net assets available for benefits - modified cash basis. Stop-loss refund receivables totaling \$-0- and \$9,427 for the period ended February 28, 2023 and the year ended June 30, 2022, respectively, have been netted with employer contributions in the accompanying statements of changes in net assets available for benefits - modified cash basis.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those amounts. Significant estimates used in the preparation of these financial statements relate to the determination of the Plan's benefit obligations.

Benefit Obligations

Plan obligations at February 28, 2023 and June 30, 2022, for health claims incurred by participants are estimated by analyzing actual subsequently paid claims that have dates of service during the reporting period and adding an additional reserve for unreported claims which are determined by the third-party administrators.

Income Taxes

The trust established under the Plan to hold the Plan's assets is a taxable trust account. No income taxes were due and payable for the periods presented.

Plan Management evaluates tax positions taken by the Plan and discloses a tax liability (or asset) if it has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of February 28, 2023 and June 30, 2022, there are no uncertain positions taken or expected to be taken that would require disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 3 - INVESTMENTS

The Plan's investments consist solely of a money market deposit account. The following table presents the fair value of investments.

	2023	2022
Investments at Fair Value:		
Money Market Deposit Account:	-0-	179,087

Interest income for the period ended February 28, 2023 and for the year ended June 30, 2022, totaled \$323 and \$403, respectively.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

NOTES to FINANCIAL STATEMENTS

(Continued)

NOTE 4 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy 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 and liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset 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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of the period ended February 28, 2023 and the year ended June 30, 2022.

Money Market Deposit Fund

The money market deposit account held by the plan was an interest-bearing bank account, rather than an SEC registered money market fund and was FDIC insured up to \$250,000. The fair value is based on original cost plus reinvested interest. This account was closed in February 2023.

The preceding method 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.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

NOTES to FINANCIAL STATEMENTS

(Continued)

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

Money Market Deposit Fund (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of February 28, 2023:

	Level 1	Level 2	Level 3	Total
Money Market Deposit Account	-0-	-0-	-0-	-0-

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Money Market Deposit Account	179,087	-0-	-0-	179,087

Level 3 Gains and Losses

There were no Level 3 investments as of February 28, 2023 and June 30, 2022.

NOTE 5 - BENEFIT OBLIGATIONS

The following are the Plan's benefit obligations at February 28, 2023 and June 30, 2022. The Plan reduces the obligation for claims by its expected recoverables from its stop-loss policy.

	2023	2022
Claims Payable and Currently Due for Active Participants	-0-	58,426
Claims Incurred but not Reported to the Plan for Active Participants	<u>-0-</u>	<u>181,559</u>
	-0-	239,985
Less Reinsurance Recoverable for Unpaid Claims	<u>-0-</u>	<u>(38,320)</u>
	-0-	201,665

The assumed health care cost-trend rates used for the year ended June 30, 2022 to measure the expected cost of benefits claims payable and currently due and claims incurred but not reported to the Plan for the next Plan year, was 4.80%.

The Plan does not offer postretirement benefits and, thus, they are not included in the above calculations.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

NOTES to FINANCIAL STATEMENTS

(Continued)

NOTE 5 - BENEFIT OBLIGATIONS (Continued)

Change in Plan's Benefit Obligation:

	2023	2022
Claims Payable and Currently Due and Claims Incurred but not Reported:		
Beginning of Period	239,985	128,048
Less Prior Year Reinsurance Recoverable	<u>(38,320)</u>	<u>(51,416)</u>
Beginning of Period, net	201,665	76,632
Claims Incurred, net	-0-	1,038,957*
Claims Paid	<u>(201,665)</u>	<u>(913,924)</u>
End of Period, net	-0-	201,665
Plus Reinsurance Recoverable	<u>-0-</u>	<u>38,320</u>
End of Period	-0-	239,985

*Amount was updated in current year to reflect actual claims incurred since prior year would have been an estimate.

NOTE 6 - PARTY-IN-INTEREST TRANSACTIONS

As described in Notes 1 and 2, the Plan has several arrangements with service providers. There transactions are party-in-interest transactions under ERISA.

There were no prohibited transactions involving a known party-in-interest for the period ended February 28, 2023 and the year ended June 30, 2022.

NOTE 7 - PLAN TERMINATION

As of July 1, 2022, the Corporation began to provide self-insured medical and prescription benefits as part of a different health and welfare plan (Plan 501) sponsored by the Corporation. As of February 28, 2023, the Trust account of the Plan was closed. The Plan was terminated as of this date. The remaining amount in the trust account as of February 28, 2023, will be applied in a uniform and nondiscriminatory manner toward the provision of benefits for or on account of the participants. For that purpose, funds in the amount of \$175,106 were transferred to the accounts of the plan sponsor. Medical and prescription claims associated with Plan 501 are paid from the general assets of the plan sponsor.

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 7, 2023, which represents the date the financial statements were available to be issued.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

Schedule H - Line 4j - SCHEDULE of REPORTABLE TRANSACTIONS -

Modified Cash Basis

EIN 25-1799858 Plan No. 502

Period From July 1, 2022 to February 28, 2023

Identity of (a) Party Involved	Description of Asset (Includes Interest Rate and Maturity in (b) Case of a Loan)	Purchase (c) Price	Selling (d) Price	Lease (e) Rental	Expense Incurred (f) with Transaction	Cost (g) of Asset	Current Value of Asset on (h) Transaction Date	Net Gain (i) or (Loss)
Univest Bank and Trust Co.	Money Market Deposit Account - Navarro & Wright Consulting Engineers, Inc. Health Benefit Trust	\$ -0-	\$ 179,087	\$ -0-	\$ -0-	\$ 179,087	\$ 179,087	\$ -0-

See independent auditors' report.

Navarro & Wright Consulting Engineers, Inc. Medical Plan

Schedule H - Line 4j - SCHEDULE of REPORTABLE TRANSACTIONS -

Modified Cash Basis

EIN 25-1799858 Plan No. 502

Period From July 1, 2022 to February 28, 2023

(a) Identity of Party Involved	Description of Asset (Includes Interest Rate and Maturity in Case of a Loan) (b)	Purchase Price (c)	Selling Price (d)	Lease Rental (e)	Expense Incurred with Transaction (f)	Cost of Asset (g)	Current Value of Asset on Transaction Date (h)	Net Gain or (Loss) (i)
Univest Bank and Trust Co.	Money Market Deposit Account - Navarro & Wright Consulting Engineers, Inc. Health Benefit Trust	\$ -0-	\$ 179,087	\$ -0-	\$ -0-	\$ 179,087	\$ 179,087	\$ -0-

See independent auditors' report.

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 07/01/2022 and ending 02/28/2023

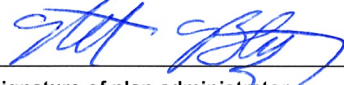

- A** This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
 a single-employer plan a DFE (specify) _____
- B** This return/report is: the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ▶
- D** Check box if filing under: Form 5558 automatic extension the DFVC program
 special extension (enter description)
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶

Part II Basic Plan Information—enter all requested information

1a Name of plan Navarro & Wright Consulting Engineers, Inc. Medical Plan		1b Three-digit plan number (PN) ▶	502
		1c Effective date of plan	05/01/2016
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) Navarro & Wright Consulting Engineers, Inc. 151 Reno Avenue New Cumberland PA 17070		2b Employer Identification Number (EIN)	25-1799858
		2c Plan Sponsor's telephone number	(717) 441-2216
		2d Business code (see instructions)	541330

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

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

SIGN HERE		<u>12/12/2023</u>	<u>Robert Blitz</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>12/12/2023</u>	<u>ROBERT BLITZ</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	130
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1)	130
	6a(2)	0
	6b	0
	6c	0
	6d	0
	6e	
	6f	
	6g	
	6h	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

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

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

4A

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

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____
