

Annual Report 2018

We made the decision to streamline the Annual Report 2018 to reduce costs and provide a simpler format for our membership.

A few highlights to keep in mind:

- GEBA expanded to the entire federal government in November 2017 during Open Season. We saw significant growth in our dental and vision plans as a result of our expansion.
- GEBA Wealth Management, headed by Greg Klingler, CFP®, continues to meet the growing demand for our financial planning services and for professional help in managing members' portfolios. The Wealth Management Team focuses on providing financial solutions that best meet our members' interests.
- The GEBA Scholarship Foundation awarded 30 scholarships and 10 Member Educational Award Program (MEAP), each valued at \$2,500 in 2018. These award programs help members with their educational expenses. Information for next year's programs will be posted in early January 2020 on www.GEBA.com.



- Our Sponsored Family Member Program continues to grow. Members have appreciated that their extended family can enroll in many of GEBA's insurance plans at the same cost as they enjoy. They also have access to GEBA Wealth Management financial planning services delivered by experienced and licensed Financial Advisors. Eligible family members include siblings, adult children, grandparents, adult grandchildren, and in-laws. We encourage you to spread the word to your extended family.

Thanks for being a GEBA member. We appreciate your support and hope you will consider GEBA for your current and future financial needs.

Sincerely,

A handwritten signature in black ink that reads "Michele Rackey". The signature is written in a cursive, slightly slanted style.

Michele Rackey
Chief Executive Officer
GEBA

P.S. 2020 Open Enrollment starts on November 11 and ends at midnight on December 16. During this period, you and your extended family can enroll in our dental and vision plans. If you already own our dental or vision plan, you can make changes to your plans during this time as well.

**Summary Annual Report for
Government Employees' Benefit Association, Inc. (GEBA)
Group Benefits Plan**

This is a summary of the annual report of the GEBA Group Benefits Plans, Employer Identification Number 52-6051763 for calendar year 2018. This annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

INSURANCE INFORMATION

The plan has contracts with CIGNA®, Delta Dental of Pennsylvania®, National Vision Administrators®, New York Life Insurance Company®, and other industry leading insurance carriers. They pay certain life, accidental death and dismemberment, disability, long-term care, vision, and dental claims incurred under the terms of the plans. The total premiums received for the plan year ending December 31, 2018 totaled approximately \$10,300,000.

BASIC FINANCIAL INFORMATION

The value of the plan net assets, after subtracting liabilities of the plan, as of December 31, 2018 totaled \$14,474,454, as compared to \$15,098,627 at January 1, 2018. During the plan year, the plan experienced a decrease in its net assets of \$624,173. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the costs of assets acquired during the year.

The plan had income of \$10,312,532 that consisted of member contributions and other income of \$10,719,803, realized gains on the sale of assets of \$77,208, and earning on investments of \$338,208. Also included in income is unrealized depreciation of assets totaling (\$822,687). Plan expenses totaled \$11,031,358, which consisted of administrative expenses of \$2,058,996, benefits paid to participants and beneficiaries of \$8,783,170, and other expenses of \$189,192. Additionally, the plan benefit obligations (amounts due to insurers) were \$94,653 lower at December 31, 2018 than January 1, 2018.

Plan participants or beneficiaries totaled 16,919 at the end of the plan year.

These amounts were reported to the IRS on Form 990.

**Summary Annual Report for
Government Employees' Mutual Benefit Association, Inc. (GEMBA)
Individual Retirements Accounts (IRA) Plan
Group Annuity Plan**

This is a summary of the annual report of the GEMBA Individual Retirement Account Plan and Group Annuity Plan for the period January 1, 2018 to December 31, 2018. The annual report has been filed with the Pension and Welfare Benefits Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement – Individual Retirement Account (IRA) Plan

The value of the net plan assets at December 31, 2018 totaled \$37,600,720. On January 1, 2018, the value of the plan assets totaled \$40,979,559, a net decrease of \$3,378,839. The plan had income of \$1,952,779, which consisted of earnings on assets of \$919,099 and member contributions of \$1,033,680. Plan expenses totaled \$5,331,618 and consisted of payments of benefits to participants and beneficiaries of \$5,120,292 and administrative fees of \$211,326.

Plan participants or beneficiaries totaled 1,138 at the end of the plan year.

Basic Financial Information – Group Annuity Plan

The value of the net plan assets, after subtracting liabilities of the plan, was \$121,773,040 as of December 31, 2018. On January 1, 2018, the value of the net plan assets totaled \$126,035,364, a net decrease of \$4,262,324. During the plan year, the plan had income of \$4,551,822, which consisted of earnings on investments of \$2,943,776 and member contributions of \$1,608,046. Plan expenses totaled \$8,814,146, which consisted of payments of benefits to participants and beneficiaries of \$8,266,866 and administrative fees of \$547,280.

Benefits under the plan are provided by a trust. (Benefits are provided in whole from trust funds.) Plan participants or beneficiaries totaled 1,010 at the end of the plan year.

These amounts were reported to the IRS on Form 990.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof on request.

The items listed below are included in that report:

- Accountant's report
- Assets held for investment
- Insurance information, including sales commissions paid by insurance carriers

To obtain a copy of the full annual report or any part thereof, write the Government Employees' Benefit Association, P.O. Box 206, Annapolis Junction, MD 20701-0206 or call (301) 688-7912. The charge to cover copying costs will be \$1 for the full annual report, or 25¢ per page for any part thereof.

You have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes will be included as part of the report. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report or, upon written request, arrange with GEBA to view the annual report at the main office of GEBA, 9800 Savage Road, OPS 2A, VCC, Room 201, Fort Meade, MD 20755 or other mutually beneficial location. Or, you may obtain a copy directly from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Important Notice: The Privacy of Your Personal Financial Information

GEBA was established to serve the interests of its members. Accordingly, GEBA is committed to protecting your personal and financial information. If you share personal information with us in the course of doing business with GEBA, we will treat your information as confidential. Such confidential information may include data that you provide to us when communicating or transacting business either electronically, in writing, or by phone. Such information may be embodied in applications, requests for forms, or other information regarding our insurance programs, financial services, and your transactions with GEBA.

GEBA does not sell information about its existing or former members to any third parties, and we do not disclose any such information to third parties unless necessary to conduct our business with you, service an account, or as otherwise permitted by law. Accordingly, we may share information with companies that perform administrative services for GEBA or with a business partner, such as an insurance company, with whom we are developing or offering investment products. When we enter such a relationship, our contracts restrict the company's use of our customer information, prohibiting them from sharing or using it for any purposes other than those for which they were hired.

GEBA maintains all legally required and other safeguards (including physical, electronic, and procedural) to protect your personal information. Within GEBA, access to such information is limited exclusively to those who need such information to perform their jobs and to service your accounts, resolve problems, or to inform you of new products or services. GEBA policy forbids GEBA employees from using customer information for any purpose other than those described above and further requires all such employees to hold any such information in the strictest of confidence.