# 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 6047(e), 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

**2014**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**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); or
- [X] 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:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
FRESNO PLUMBING & HEATING, INC. 401(K) PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 11/01/1988

**2a** Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
FRESNO PLUMBING & HEATING, INC.

2585 N. LARKIN
FRESNO, CA 93727

**2b** Employer Identification Number (EIN)
94-2774677

**2c** Plan Sponsor's telephone number
559-292-3003

**2d** Business code (see instructions)
238220

**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** | Filed with authorized/valid electronic signature. | 08/31/2015 | DEAN KUMPE |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **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 |

Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)

Preparer's telephone number (optional)

| | | |
|---|---|---|
| **3a** Plan administrator's name and address [X] Same as Plan Sponsor | **3b** Administrator's EIN | |
| | **3c** Administrator's telephone number | |
| **4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: | **4b** EIN | |
| **a** Sponsor's name | **4c** PN | |
| **5** Total number of participants at the beginning of the plan year | **5** | 269 |
| **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 | **6a(1)** | 218 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 235 |
| **b** Retired or separated participants receiving benefits | **6b** | 0 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 52 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 287 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 4 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 291 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 198 |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **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:
2F 2G 2J 2K 2T 3D 2E

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

| **9a** Plan funding arrangement (check all that apply) | | **9b** Plan benefit arrangement (check all that apply) | |
|---|---|---|---|
| **(1)** | [ ] Insurance | **(1)** | [ ] Insurance |
| **(2)** | [ ] Code section 412(e)(3) insurance contracts | **(2)** | [ ] Code section 412(e)(3) insurance contracts |
| **(3)** | [X] Trust | **(3)** | [X] Trust |
| **(4)** | [ ] General assets of the sponsor | **(4)** | [ ] 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)** [X] **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)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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 2014 Form M-1 annual report. If the plan was not required to file the 2014 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 C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2014**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
FRESNO PLUMBING & HEATING, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
FRESNO PLUMBING & HEATING, INC.

**D** Employer Identification Number (EIN)
94-2774677

## Part I Service Provider Information (see instructions)

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

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

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 37 60 64 65 | RECORDKEEPER | 1450 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

FIRST CLEARING LLC

23-2384840

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 61 | ADVISOR | 0 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

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

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

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

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

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

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

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

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| COL SM CAP VAL II A - COLUMBIA MGT<br><br>13-2953455 | 0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| COLUMBIA MDCAP VAL A - COLUMBIA MG<br><br>13-2953455 | 0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| DREY INTM TERM INC A - DREYFUS TRA 200 PARK AVENUE<br>NEW YORK, NY 10166 | 0.25% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| DREY OP MIDCAP VAL A - DREYFUS TRA 200 PARK AVENUE NEW YORK, NY 10166 | 0.35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| DREYFUS S&P 500 INDX - DREYFUS TRA 200 PARK AVENUE NEW YORK, NY 10166 | 0.15% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| FKLN RISING DIVS A - FRANKLIN TEMP<br><br>94-3167260 | 0.25% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| IVY MID CAP GROWTH A - WADDELL & R<br><br>43-1244426 | 0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JANUS OVERSEAS S - JANUS SERVICES<br><br>43-1804048 | 0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM EQUITY INCOME A - BOSTON FINAN 330 W. 9TH STREET KANSAS CITY, MO 66160 | 0.25% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| WFA EMRG MKTS EQ A - BOSTON FINANC P.O. BOX 8480 BOSTON, MA 02266 | 0.30% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIRST CLEARING LLC | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| COL SM CAP VAL II A - COLUMBIA MGT<br><br>13-2953455 | $0-<$3M=1.00%, $3M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIRST CLEARING LLC | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| COLUMBIA MDCAP VAL A - COLUMBIA MG<br><br>13-2953455 | $0-<$3M=1.00%, $3M-<$50M=0.50%, $50M+=0.25% |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIRST CLEARING LLC | 61 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| JPM EQUITY INCOME A - JPMORGAN DIS<br><br>13-2624428 | $0-<$4M=1.00%, $4M-<$10M=0.75%, $10M-<$50M=0.50%, $50M+=0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

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

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

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

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

# DFE/Participating Plan Information

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

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

OMB No. 1210-0110

**2014**

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

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
FRESNO PLUMBING & HEATING, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
FRESNO PLUMBING & HEATING, INC.

**D** Employer Identification Number (EIN)
94-2774677

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: FA STABLE VALUE

**b** Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 04-3022712-026 | C | 1032415 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

# 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

**2014**

**This Form is Open to Public Inspection**

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
FRESNO PLUMBING & HEATING, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
FRESNO PLUMBING & HEATING, INC.

**D** Employer Identification Number (EIN)
94-2774677

## 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 | 0 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 782303 | 860625 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 224013 | 219600 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 1013132 | 1032415 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 0 | 0 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 0 | 0 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 6907151 | 6061821 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | 0 | 0 |
| **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 8926599 | 8174461 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | 0 | 0 |
| **h** Operating payables | 1h | 0 | 0 |
| **i** Acquisition indebtedness | 1i | 0 | 0 |
| **j** Other liabilities | 1j | 0 | 0 |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 8926599 | 8174461 |

## 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) | 209135 | |
| **(B)** Participants | 2a(1)(B) | 168242 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 0 | |
| **(2)** Noncash contributions | 2a(2) | 0 | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 377377 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 82 | |
| **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| **(E)** Participant loans | 2b(1)(E) | 14719 | |
| **(F)** Other | 2b(1)(F) | 0 | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 14801 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| **(B)** Common stock | 2b(2)(B) | 0 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 337552 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 337552 |
| **(3)** Rents | 2b(3) | | 0 |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 0 | |
| **(B)** Other | 2b(5)(B) | 0 | |
| **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 7743 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | 0 |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | 0 |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 199479 |
| c Other income | 2c | | 0 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 936952 |

## Expenses

| | | | |
|---|---|---|---|
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 1637964 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| (3) Other | 2e(3) | 0 | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 1637964 |
| f Corrective distributions (see instructions) | 2f | | 9928 |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | 39748 |
| h Interest expense | 2h | | 0 |
| i Administrative expenses: (1) Professional fees | 2i(1) | 0 | |
| (2) Contract administrator fees | 2i(2) | 0 | |
| (3) Investment advisory and management fees | 2i(3) | 0 | |
| (4) Other | 2i(4) | 1450 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 1450 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 1689090 |

## Net Income and Reconciliation

| | | | |
|---|---|---|---|
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -752138 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | 0 |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

**(1)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

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

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

**(1)** Name: WATTS, CAMBELL, ANDERSON & CHI **(2)** EIN: 94-2259577

**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:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **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.) | 4a | | X | |
| **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 | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| 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 | | X | |

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

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

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

## Part V Trust Information (optional)

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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OMB No. 1210-0110

**2014**

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

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

**A** Name of plan
FRESNO PLUMBING & HEATING, INC. 401(K) PROFIT SHARING PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
FRESNO PLUMBING & HEATING, INC.

**D** Employer Identification Number (EIN)
94-2774677

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1**

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

# FRESNO PLUMBING & HEATING, INC.
# 401(k) PROFIT SHARING PLAN

*FINANCIAL STATEMENTS*

**DECEMBER 31, 2014 and 2013**

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

December 31, 2014

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Watts, Campbell, Chi & Baker

Timothy Baker, CPA
Angela Chi, CPA
Carl M. Campbell, Jr., CPA
Valerie Parkey, CPA

Waymon E. Watts, Ret.

# INDEPENDENT AUDITORS REPORT

To the Fresno Plumbing & Heating 401(k) Profit Sharing Plan and Participants:

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Fresno Plumbing & Heating 401(k) Profit Sharing Plan, which comprise the statements of net assets available for benefits (modified cash basis) as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits (modified cash basis) for the year-ended December 31, 2014, 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 the modified cash basis of accounting as described in Note B; this included 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 implantation, and maintenance of internal control relevance 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 conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we are not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note G, which was certified by Fidelity Management Trust Company, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee/custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2014 and 2013, that the information provided to the plan administrator by the trustee/custodian is complete and accurate.

7419 N. Cedar, Suite 103 I Fresno, California 93720
(559) 448-WCCB (9222) I Fax (559) 448-9292

**Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

**Other Matter**

The supplemental schedules as of or for the year ended December 31, 2014 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information includes in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee/custodian, have been audited by us in accordance with the auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Act of 1974.

**Basis of Accounting**

We draw attention to Note B of the financial statement, which describes the basis of accounting. The financial statements are presented 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.

Watts, Campbell, Chi & Baker

Watts, Campbell, Chi & Baker
Accountancy Corporation
Fresno, California
August 31, 2015

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Statement of Net Assets Available for Benefits*

December 31, 2014 and 2013

## ASSETS

| | 2014 | 2013 |
|---|---|---|
| Participant direct investments at fair value | 7,954,861 | 8,702,586 |
| Notes receivable from participants | 219,600 | 224,013 |
| Total Assets | 8,174,461 | 8,926,599 |

## LIABILITIES & NET ASSETS

| | | |
|---|---|---|
| Other Payable | 12,744 | 7,808 |
| Total Liabilities | 12,744 | 7,808 |
| Net Assets Available for Benefits at Fair Value | 8,161,717 | 8,918,791 |
| Adjustment from Fair Value to Contract Value for Fully Benefit Responsive Investment Contracts | (18,006) | (19,284) |
| Net Assets Available for Benefit | 8,143,711 | 8,899,507 |

See accompanying notes and auditors' report.

# FRESNO PLUMBING & HEATING, INC. 401 (K) PROFIT SHARING PLAN

*Statement of Changes in Net Assets Available for Benefits*
Year Ended December 31, 2014

| | |
|---|---|
| Additions | |
| Additions to Net Assets Attributed to: | |
| Investment Income: | |
| Net Appreciation (Depreciation) in fair value of investment | 207,222 |
| Dividend/Interest | 337,634 |
| Loan interest | 14,719 |
| Contribution: | |
| Participants | 155,498 |
| Employer (qualified discretionary) | 209,135 |
| Total Additions (Decrease) | 924,208 |
| Deductions | |
| Deductions from Net Assets Attributed to: | |
| Benefit paid to participants | 1,679,832 |
| Administration Fees | 1,450 |
| Total Deductions | 1,681,282 |
| Net Increase (Decrease) | (757,074) |
| Net Assets Available for Benefit at Fair Value | |
| Beginning of Year | 8,918,791 |
| End of Year | 8,161,717 |

See accompanying notes and auditors' report.

## NOTE A - DESCRIPTION OF PLAN

The following description of the Fresno Plumbing & Heating, Inc. 401 (K) Profit Sharing 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 is a defined contribution plan covering all full-time employees of Fresno Plumbing & Heating, Inc. (the "Company") who have six months of service by the entry date and are age eighteen or older. It is subject to the provisions of ERISA.

### Contributions

The Plan provides for four types of contributions. The first is the employee salary deferral feature. The employer shall determine the amount of salary reduction contribution in accordance with Salary Reduction Agreements voluntarily executed by each eligible participant.

There is an employer discretionary match. The employer will determine annually the amount of matching contribution it will deposit based on Company profitability.

The employer may make an annual employer discretionary contribution to the Plan depending on Company profits.

The employer may make an annual Qualified Non-Elective Contribution (QNEC) to the Plan if necessary to pass the non-discrimination testing. The QNEC will be allocated only to non-highly compensated employees.

The Plan includes an additional contribution source-prevailing wage. These contributions would cover only prevailing wage employees and include a separate service and vesting requirement from the 401 (K) deferrals and match. Furthermore, these prevailing wage contributions can be characterized as QNEC (Qualified Non-Elective Contributions) or safe harbor contributions for testing purposes.

Starting 2015, the Plan will adopt Safe Harbor contribution to all participants.

**NOTE A - DESCRIPTION OF PLAN** (cont.)

**Participant Accounts**

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Vesting**

Participants are always 100% vested in their rollover contributions, salary deferrals and QNEC. Vesting refers to ownership in matching contributions and the employer discretionary contributions. Vesting is a percentage based on years of service with the employer.

Vesting credit will be given according to the following table:

| Years of Service | Vesting Percentages |
|---|---|
| 1 | 0% |
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

**Forfeiture**

Forfeiture arising from Employer discretionary contributions will be used to fund Employer matching contributions in the year immediately following the plan year in which the forfeiture occurs. Forfeitures arising from matching contributions will be used first to reduce fees and then to supplement employer contributions.

**Investment Options**

Upon enrollment into the Plan, a participant may direct contributions to any of the investment options which include investments in a registered insurance company's mutual funds.

**NOTE A - DESCRIPTION OF PLAN** (cont.)

**Investment of Contribution**

As a participant in the plan, an individual directs the investment of his or her accounts. He or she can also discontinue deferrals at any time, upon written notice to the plan administrator.

It is intended that the Plan meet the requirements of ERISA section 404(c) by providing the participants with sufficient information for them to make informed investment choices. This information will be provided by the financial institutions managing the investment options.

The Plan also allows an after Tax Roth contribution.

**Distribution**

Hardship distributions of the participants' pre-tax salary deferrals and Roth deferrals are permitted.

The participants may receive in-service distribution of their salary deferral amounts when they reach the normal retirement date.

The participant will reach the plans' normal retirement age when they reach age 65, at the normal retirement age, the participant will be fully vested in the employer contribution account.

**Participant Loans/Notes Receivable from Participants**

The Plan has adopted a participant loan program that is intended to comply with Labor Regulation 2550.408b-1, and Treasury Regulation sec1.72(p)-1. Loan will be made pursuant to the term of the Plan and Trust with the provisions listed in the Plan document.

Participants may borrow from their vested fund accounts a minimum of $1,000 up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 5% to 25% for home purchase loan or 7.25% for general purpose loan, which are commensurate with local prevailing rates as determined by the Plan administrator.

## NOTE A - DESCRIPTION OF PLAN (cont.)

### Administrative Expenses

There was no administrative expense paid by the Company in 2014 plan year.

### Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

## NOTE B - SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting. Under that basis, certain contributions and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. This is a basis of accounting other than Generally Accepted Accounting Principles of the United States of America. Investment income is recorded when occurred while benefit is recorded when paid.

### 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.

### Payment of Benefit

Benefits are recorded when paid.

## NOTE B - SIGNIFICANT ACCOUNTING POLICIES (cont.)

### Investment Valuation and Income Recognition

The investments in all of the funds are presented at fair value, based on the quoted market prices of the underlying securities within each fund at December 31, 2014 and 2013. 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.

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 includes the Plan's gains and losses on investments bought and sold as well as held during the year.

### Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

### Administrative Expenses

All expenses of maintaining the Plan are paid by the Plan.

### Subsequent Events

For the year ended December 31, 2014, the Plan has evaluated subsequent events for potential recognition and disclosure through August 31, 2015, the date the financial statements were available to be issued.

## NOTE C – FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

**NOTE C – FAIR VALUE MEASUREMENTS** (cont.)

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.

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as, the general classification of such instruments pursuant to the valuation hierarchy.

*Mutual funds*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual 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 mutual funds held by the Plan are deemed to be actively traded.

## NOTE C – FAIR VALUE MEASUREMENTS (cont.)

*Collective trust fund:* Valued at the net asset value (NAV) of units of a bank or investment company 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. This 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. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2014 and 2013.

Assets at Fair Value of as of December 31, 2014

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual Funds: | | | | |
| Asset allocation | 1,232,518 | - | - | 1,232,518 |
| Equity funds | 4,098,998 | - | - | 4,098,998 |
| Fixed income funds | 1,391,390 | - | - | 1,391,390 |
| International funds | 199,540 | - | - | 199,540 |
| Total Mutual Funds | 6,922,446 | - | - | 6,922,446 |
| Common/Collective Trust | - | - | 1,032,415 | 1,032,415 |
| Total Assets at Fair Value | 6,922,446 | - | 1,032,415 | 7,954,861 |

Assets at Fair Value of as of December 31, 2013

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual Funds: | | | | |
| Asset allocation | 1,140,608 | - | - | 1,140,608 |
| Equity funds | 5,117,953 | - | - | 5,117,953 |
| Fixed income funds | 1,157,329 | - | - | 1,157,329 |
| International funds | 273,564 | - | - | 273,564 |
| Total Mutual Funds | 7,689,454 | - | - | 7,689,454 |
| Common/Collective Trust | - | - | 1,013,132 | 1,013,132 |
| Total Assets at Fair Value | 7,689,454 | - | 1,013,132 | 8,702,586 |

## NOTE C – FAIR VALUE MEASUREMENTS (cont.)

The following table sets forth a summary of changes in the fair value of the plan's Level 3 assets for the year-ended December 31, 2014.

| | Level 3 Assets Year Ended December 31, 2014 | |
|---|---|---|
| | Common Collective Trust | Total |
| Balance, beginning of year | 1,013,132 | 1,013,132 |
| Interest/Dividend | 7,743 | 7,743 |
| Realized gains/(losses) | -0- | -0- |
| Unrealized gains/(losses) relating to Instruments still held at the reporting Date | -0- | -0- |
| Purchases, sales, issuances, and Settlements (net) | 11,540 | 11,540 |
| Balance, end of year | 1,032,415 | 1,032,415 |
| The amount of total gains or losses For the period attributable to the change in unrealized gains or losses relating to assets still held at the reporting date | -0- | -0- |

## NOTE D – TAX CONSIDERATIONS

The Plan obtained its latest determination letter dated March 31, 2008 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

## NOTE E – ADMINISTRATIVE EXPENSES

The Company has not paid any fees in 2014. Both fees incurred at the plan level and at the participant's level are disclosed in compliance with the Department of Labor amended regulation under the Employee Retirement Income Security Act of 1974 (ERISA), Section 404.

## NOTE F – USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## NOTE G – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right, under the Plan, to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

## NOTE H – OTHER PAYABLE

In 2014, there was a participant who over-contributed to the 401(k) plan in the amount of $12,744. The over-contributed amount plus income produced has been refunded to them in 2015.

## NOTE I – LIMITED SCOPE AUDIT

At December 31, 2014 and 2013, the Plan's investments were held by the Trustee. The following is a summary of the Plan's financial information that is included in the financial statements based on information certified by Trustee as complete and accurate in accordance with Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

The fair value of investments at December 31, 2014 and 2013 as reported by the trustee is summarized as follows:

| | 2014 | 2013 |
|---|---|---|
| Equity Fund | 4,098,998 | 5,391,517 |
| Fixed Income Fund | 1,391,390 | 1,157,329 |
| Asset allocation | 1,232,518 | 1,140,608 |
| Common/Collective Trust | 1,032,415 | 1,013,132 |
| Total | 7,755,321 | 8,702,586 |

Each of the above investment represents 5% or more of net assets of the plan at December 31, 2014 and 2013.

| | 2014 | 2013 |
|---|---|---|
| Dividend/interest | 207,222 | 265,361 |
| Net Appreciation (depreciation) in fair value of investment | 337,634 | 1,155,888 |

## NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of the net assets available for benefit per the financial statements to Form 5500:

| | December 31 2014 | 2013 |
|---|---|---|
| Net assets available for benefits per the financial statements | 8,143,711 | 8,899,507 |
| Fair value converted to contract value | 18,006 | 19,284 |
| Other payable reported on the financial Statement but not on Form 5500 | 12,744 | 7,808 |
| Net Assets Available for Benefit per the Form 5500 | 8,174,461 | 8,926,599 |

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

| | 2014 | 2013 |
|---|---|---|
| Contribution made per Financial Statements (modified cash basis) | 155,498 | 1,731,911 |
| Add: Employee over-contributed | 12,744 | 7,808 |
| Contribution made per Form 5500 | 168,242 | 1,739,719 |

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

| | 2014 | 2013 |
|---|---|---|
| Benefit paid per Financial Statements (modified cash basis) | 1,679,832 | 250,381 |
| Subtract prior year over-contributed paid in current year | 7,808 | -0- |
| Benefit paid per Form 5500 | 1,687,640 | 250,381 |

## NOTE J – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (cont.)

The following is a reconciliation of the Investment per financial statement at December 31, 2013 and 2012 to Schedule H of Form 5500:

| | 2014 | 2013 |
|---|---|---|
| Total investment for the financial statement | 7,954,861 | 8,702,586 |
| Participant loan is not considered as investment per ASU 2010-25 in the financial statement | 219,600 | 224,013 |
| Total Investment per Form 5500 Schedule H, Line 4i | 8,174,461 | 8,926,599 |

## NOTE K – TAX STATUS

The Internal Revenue Service has determined and informed the company by a letter dated March 31, 2008, that the plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the plan has been amended since receiving the determination letter, the plan administrator and the plan's tax counsel believe that the plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or 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. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2014.

## NOTE L – CHANGE OF THE PARTICIPANTS LOANS REPORTING REQUIREMENT

In September 2010, the FASB issued ASU 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans.* ASU 2010-25 changed the reporting of loans to participants. Prior to ASU 2010-25, loans to participants were reported as investments at fair value. ASU requires that loans to participants be reported as notes receivable from participants at the unpaid principal balance plus any accrued but unpaid interest. ASU 2010-25 is effective for periods ending after December 15, 2010.

Statement of net assets available for benefits of Fresno Plumbing & Heating, Inc. 401 (K) Profit Sharing Plan for December 31, 2014 and 2013 follows the required format.

## NOTE M – RISK AND UNCERTAINTIES

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

## NOTE N – CONTRACT VALUE ACCOUNTING OF STABLE VALUE FUNDS

Some of the participants of Fresno Plumbing & Heating, Inc. 401 (K) profit sharing plan invest in Fidelity Advisor Stable Value Portfolio Class II. It is a commingled pool of the Fidelity Group Trust for Employee Benefit Plans and is managed by Fidelity Management Trust Company (FMTC).

The FA Stable Value Portfolio invests in investment contracts issued by insurance companies and other financial institutions ("Wraps"), fixed income securities, and money market funds. Wraps are designed to permit the use of book value accounting to maintain a constant $1 NAV. Wraps are purchased in conjunction with an investment by the FA Stable Value Portfolio in fixed income securities. These securities may include, but are not limited to, U. S. Treasury and agency bonds, corporate bonds, mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, and bond funds. Through the use of book value accounting, there is no immediate recognition of investment gains and losses on the FA Stable Value Portfolio's securities.

**NOTE N – CONTRACT VALUE ACCOUNTING OF STABLE VALUE FUNDS** (cont.)

Instead, gains and losses are recognized over time by adjusting the interest rate credited to the FA Stable Value Portfolio under the Wraps. The Wraps provide for the payment of participant-directed withdrawals and exchanges at book value (principal and interest accrued to date) during the term of the Wraps. In order to maintain the Wrap issuers' promise to pay ongoing contractual commitments on the FA Stable Value Portfolio as well as the plans invested in the FA Stable Value Portfolio. Withdrawals from the FA Stable Value Portfolio are subject to certain restrictions. Plan sponsor-directed withdrawals may be required to be preceded by 12 months written notice. Although the FA Stable Value Portfolio seeks to maintain a stable $1 NAV, it is possible to lose money by investing in the FA Stable Value Portfolio. The FA Stable Value Portfolio's yield will fluctuate.

The Financial Accounting Standards Board (FASB) released Staff Position AAG INV-1 and SOP 94-4-1 (the "FSP") which is codified in FASB ASC 962-325, addressing accounting rules for defined contribution plan stable value investment options. Under the FSP, only assets that are attributable to "fully benefit-responsive" investment contracts are eligible for contract value accounting treatment. The FA Stable Value Portfolio is a fully benefit-responsive investment contract thus it will be reported at fair value on the net assets available for benefits, along with an adjustment to contract value with net assets available for benefit shown at contract value.

STABLE VALUE PORTFOLIO

Period ending 12/31/2014

| | | |
|---|---|---|
| Total Wrap Rebid Value | $ | 309,731.38 |
| Total Net Assets at Fair Value | $ | 1,806,792,124.27 |
| Total Adj from Fair Value to Contract Value | $ | (31,511,044.78) |
| Market Value Spot Yield | | 1.69% |
| Contract Value Spot Yield | | 1.06% |

Period ending 12/31/2013

| | | |
|---|---|---|
| Total Wrap Rebid Value | $ | 323,106.11 |
| Total Net Assets at Fair Value | $ | 1,878,478,008.16 |
| Total Adj from Fair Value to Contract Value | $ | (35,755,192.11) |
| Market Value Spot Yield | | 1.70% |
| Contract Value Spot Yield | | 0.92% |

**Supplemental Schedule**
**(Modified Cash Basis)**

**December 31, 2014**

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule I*

*Form 5500, Schedule H, line 4i – Schedule of Assets (Held at End of Year) for Investment*

December 31, 2014

Investments at Fair Value
As determined by quoted market price

Marked if is party in interest

| (a) *if is party in interest | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Fair Value |
|---|---|---|---|---|
| | Dreyfus S & P 500 Indx | Mutual Fund | Excluded for | 1,267,987 |
| | Col Sm Cap Val II A | Mutual Fund | participant - directed | 1,990 |
| | Drey Intm Term Inc A | Mutual Fund | Investment | 496,779 |
| | Drey Op Md Cap Value A | Mutual Fund | | 247,451 |
| | Columbia Mdcap Val A | Mutual Fund | | 2,024 |
| | Janus Overseas S | Mutual Fund | | 199,540 |
| | FID Treasury Fd | Money Market | | 860,625 |
| | FA Balanced T | Mutual Fund | | 302,995 |
| | FA Technology T | Mutual Fund | | 432,722 |
| | JPM Equity Income A | Mutual Fund | | 258,792 |
| | Fkln Rising Divs A | Mutual Fund | | 722,850 |
| | FA Equity Growth T | Mutual Fund | | 594,252 |
| | FA Small Cap T | Mutual Fund | | 343,342 |
| | FA Stable Value | Common/Collective Trust | | 1,032,415 |
| | Ivy Mid Cap Growth A | Mutual Fund | | 218,899 |
| | FA Health Care | Mutual Fund | | 8,688 |

See accompanying notes and auditors' report.

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule I(continued)*
*Form 5500, Schedule H, line 4i – Schedule of Assets (Held at End of Year) for Investment*
December 31, 2014

Investments at Fair Value
As determined by quoted market price

Marked if is party in interest

| (a) *if is party interest | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Fair Value |
|---|---|---|---|---|
| | FA Freedom 2010 T | Mutual Fund | | 9,735 |
| | FA Freedom 2020 T | Mutual Fund | | 16,802 |
| | FA Freedom 2030 T | Mutual Fund | | 172,023 |
| | FA Freedom 2040 T | Mutual Fund | | 130,089 |
| | FA Freedom Inc T | Mutual Fund | | 2,184 |
| | FA Freedom 2015 T | Mutual Fund | | 73,727 |
| | FA Freedom 2025 T | Mutual Fund | | 7,981 |
| | FA Freedom 2035 T | Mutual Fund | | 149,709 |
| | FA Freedom 2045 T | Mutual Fund | | 195,544 |
| | FA Freedom 2050 T | Mutual Fund | | 161,196 |
| | FA Freedom 2055 T | Mutual Fund | | 10,534 |
| | FA Gov Income T | Mutual Fund | | 33,986 |
| | | Participants' Loans (the rate is 5.25% to 7.25%, various maturity dates) | | 219,600 |
| | Total | | | 8,174,461 |

See accompanying notes and auditors' report.

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule II*

*Form 5500, Schedule H, line 4i – Schedule of Assets Acquired and Disposed of Within Year*

December 31, 2014

This Schedule is not required to prepare because the variety of investments that are exempt from being reported on this schedule.

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule III*

*Form 5500, Schedule H, line 4j – Schedule of Reportable Transactions*

December 31, 2014

Reportable transactions are not required to be compiled for participant-direct investments.

# FRESNO PLUMBING & HEATING, INC.
# 401(k) PROFIT SHARING PLAN

*FINANCIAL STATEMENTS*

**DECEMBER 31, 2014 and 2013**

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

December 31, 2014

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Watts, Campbell, Chi & Baker

Timothy Baker, CPA
Angela Chi, CPA
Carl M. Campbell, Jr., CPA
Valerie Parkey, CPA

Waymon E. Watts, Ret.

# INDEPENDENT AUDITORS REPORT

To the Fresno Plumbing & Heating 401(k) Profit Sharing Plan and Participants:

## Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Fresno Plumbing & Heating 401(k) Profit Sharing Plan, which comprise the statements of net assets available for benefits (modified cash basis) as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits (modified cash basis) for the year-ended December 31, 2014, 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 the modified cash basis of accounting as described in Note B; this included 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 implantation, and maintenance of internal control relevance 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 conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we are not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note G, which was certified by Fidelity Management Trust Company, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee/custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2014 and 2013, that the information provided to the plan administrator by the trustee/custodian is complete and accurate.

7419 N. Cedar, Suite 103 I Fresno, California 93720
(559) 448-WCCB (9222) I Fax (559) 448-9292

**Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

**Other Matter**

The supplemental schedules as of or for the year ended December 31, 2014 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information includes in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee/custodian, have been audited by us in accordance with the auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Act of 1974.

**Basis of Accounting**

We draw attention to Note B of the financial statement, which describes the basis of accounting. The financial statements are presented 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.

Watts, Campbell, Chi & Baker

Watts, Campbell, Chi & Baker
Accountancy Corporation
Fresno, California
August 31, 2015

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Statement of Net Assets Available for Benefits*

December 31, 2014 and 2013

## ASSETS

| | 2014 | 2013 |
|---|---|---|
| Participant direct investments at fair value | 7,954,861 | 8,702,586 |
| Notes receivable from participants | 219,600 | 224,013 |
| Total Assets | 8,174,461 | 8,926,599 |

## LIABILITIES & NET ASSETS

| | | |
|---|---|---|
| Other Payable | 12,744 | 7,808 |
| Total Liabilities | 12,744 | 7,808 |
| Net Assets Available for Benefits at Fair Value | 8,161,717 | 8,918,791 |
| Adjustment from Fair Value to Contract Value for Fully Benefit Responsive Investment Contracts | (18,006) | (19,284) |
| Net Assets Available for Benefit | 8,143,711 | 8,899,507 |

See accompanying notes and auditors' report.

# FRESNO PLUMBING & HEATING, INC. 401 (K) PROFIT SHARING PLAN

*Statement of Changes in Net Assets Available for Benefits*
Year Ended December 31, 2014

| | |
|---|---|
| Additions | |
| Additions to Net Assets Attributed to: | |
| Investment Income: | |
| Net Appreciation (Depreciation) in fair value of investment | 207,222 |
| Dividend/Interest | 337,634 |
| Loan interest | 14,719 |
| Contribution: | |
| Participants | 155,498 |
| Employer (qualified discretionary) | 209,135 |
| Total Additions (Decrease) | 924,208 |
| Deductions | |
| Deductions from Net Assets Attributed to: | |
| Benefit paid to participants | 1,679,832 |
| Administration Fees | 1,450 |
| Total Deductions | 1,681,282 |
| Net Increase (Decrease) | (757,074) |
| Net Assets Available for Benefit at Fair Value | |
| Beginning of Year | 8,918,791 |
| End of Year | 8,161,717 |

See accompanying notes and auditors' report.

## NOTE A - DESCRIPTION OF PLAN

The following description of the Fresno Plumbing & Heating, Inc. 401 (K) Profit Sharing 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 is a defined contribution plan covering all full-time employees of Fresno Plumbing & Heating, Inc. (the "Company") who have six months of service by the entry date and are age eighteen or older. It is subject to the provisions of ERISA.

### Contributions

The Plan provides for four types of contributions. The first is the employee salary deferral feature. The employer shall determine the amount of salary reduction contribution in accordance with Salary Reduction Agreements voluntarily executed by each eligible participant.

There is an employer discretionary match. The employer will determine annually the amount of matching contribution it will deposit based on Company profitability.

The employer may make an annual employer discretionary contribution to the Plan depending on Company profits.

The employer may make an annual Qualified Non-Elective Contribution (QNEC) to the Plan if necessary to pass the non-discrimination testing. The QNEC will be allocated only to non-highly compensated employees.

The Plan includes an additional contribution source-prevailing wage. These contributions would cover only prevailing wage employees and include a separate service and vesting requirement from the 401 (K) deferrals and match. Furthermore, these prevailing wage contributions can be characterized as QNEC (Qualified Non-Elective Contributions) or safe harbor contributions for testing purposes.

Starting 2015, the Plan will adopt Safe Harbor contribution to all participants.

**NOTE A - DESCRIPTION OF PLAN** (cont.)

**Participant Accounts**

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**Vesting**

Participants are always 100% vested in their rollover contributions, salary deferrals and QNEC. Vesting refers to ownership in matching contributions and the employer discretionary contributions. Vesting is a percentage based on years of service with the employer.

Vesting credit will be given according to the following table:

| Years of Service | Vesting Percentages |
|---|---|
| 1 | 0% |
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 | 100% |

**Forfeiture**

Forfeiture arising from Employer discretionary contributions will be used to fund Employer matching contributions in the year immediately following the plan year in which the forfeiture occurs. Forfeitures arising from matching contributions will be used first to reduce fees and then to supplement employer contributions.

**Investment Options**

Upon enrollment into the Plan, a participant may direct contributions to any of the investment options which include investments in a registered insurance company's mutual funds.

**NOTE A - DESCRIPTION OF PLAN** (cont.)

**Investment of Contribution**

As a participant in the plan, an individual directs the investment of his or her accounts. He or she can also discontinue deferrals at any time, upon written notice to the plan administrator.

It is intended that the Plan meet the requirements of ERISA section 404(c) by providing the participants with sufficient information for them to make informed investment choices. This information will be provided by the financial institutions managing the investment options.

The Plan also allows an after Tax Roth contribution.

**Distribution**

Hardship distributions of the participants' pre-tax salary deferrals and Roth deferrals are permitted.

The participants may receive in-service distribution of their salary deferral amounts when they reach the normal retirement date.

The participant will reach the plans' normal retirement age when they reach age 65, at the normal retirement age, the participant will be fully vested in the employer contribution account.

**Participant Loans/Notes Receivable from Participants**

The Plan has adopted a participant loan program that is intended to comply with Labor Regulation 2550.408b-1, and Treasury Regulation sec1.72(p)-1. Loan will be made pursuant to the term of the Plan and Trust with the provisions listed in the Plan document.

Participants may borrow from their vested fund accounts a minimum of $1,000 up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 5% to 25% for home purchase loan or 7.25% for general purpose loan, which are commensurate with local prevailing rates as determined by the Plan administrator.

## NOTE A - DESCRIPTION OF PLAN (cont.)

### Administrative Expenses

There was no administrative expense paid by the Company in 2014 plan year.

### Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

## NOTE B - SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting. Under that basis, certain contributions and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. This is a basis of accounting other than Generally Accepted Accounting Principles of the United States of America. Investment income is recorded when occurred while benefit is recorded when paid.

### 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.

### Payment of Benefit

Benefits are recorded when paid.

## NOTE B - SIGNIFICANT ACCOUNTING POLICIES (cont.)

### Investment Valuation and Income Recognition

The investments in all of the funds are presented at fair value, based on the quoted market prices of the underlying securities within each fund at December 31, 2014 and 2013. 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.

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 includes the Plan's gains and losses on investments bought and sold as well as held during the year.

### Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

### Administrative Expenses

All expenses of maintaining the Plan are paid by the Plan.

### Subsequent Events

For the year ended December 31, 2014, the Plan has evaluated subsequent events for potential recognition and disclosure through August 31, 2015, the date the financial statements were available to be issued.

## NOTE C – FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

**NOTE C – FAIR VALUE MEASUREMENTS** (cont.)

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.

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as, the general classification of such instruments pursuant to the valuation hierarchy.

*Mutual funds*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual 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 mutual funds held by the Plan are deemed to be actively traded.

## NOTE C – FAIR VALUE MEASUREMENTS (cont.)

*Collective trust fund:* Valued at the net asset value (NAV) of units of a bank or investment company 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. This 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. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2014 and 2013.

Assets at Fair Value of as of December 31, 2014

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual Funds: | | | | |
| Asset allocation | 1,232,518 | - | - | 1,232,518 |
| Equity funds | 4,098,998 | - | - | 4,098,998 |
| Fixed income funds | 1,391,390 | - | - | 1,391,390 |
| International funds | 199,540 | - | - | 199,540 |
| Total Mutual Funds | 6,922,446 | - | - | 6,922,446 |
| Common/Collective Trust | - | - | 1,032,415 | 1,032,415 |
| Total Assets at Fair Value | 6,922,446 | - | 1,032,415 | 7,954,861 |

Assets at Fair Value of as of December 31, 2013

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual Funds: | | | | |
| Asset allocation | 1,140,608 | - | - | 1,140,608 |
| Equity funds | 5,117,953 | - | - | 5,117,953 |
| Fixed income funds | 1,157,329 | - | - | 1,157,329 |
| International funds | 273,564 | - | - | 273,564 |
| Total Mutual Funds | 7,689,454 | - | - | 7,689,454 |
| Common/Collective Trust | - | - | 1,013,132 | 1,013,132 |
| Total Assets at Fair Value | 7,689,454 | - | 1,013,132 | 8,702,586 |

## NOTE C – FAIR VALUE MEASUREMENTS (cont.)

The following table sets forth a summary of changes in the fair value of the plan's Level 3 assets for the year-ended December 31, 2014.

| | Level 3 Assets Year Ended December 31, 2014 | |
|---|---|---|
| | Common Collective Trust | Total |
| Balance, beginning of year | 1,013,132 | 1,013,132 |
| Interest/Dividend | 7,743 | 7,743 |
| Realized gains/(losses) | -0- | -0- |
| Unrealized gains/(losses) relating to Instruments still held at the reporting Date | -0- | -0- |
| Purchases, sales, issuances, and Settlements (net) | 11,540 | 11,540 |
| Balance, end of year | 1,032,415 | 1,032,415 |
| The amount of total gains or losses For the period attributable to the change in unrealized gains or losses relating to assets still held at the reporting date | -0- | -0- |

## NOTE D – TAX CONSIDERATIONS

The Plan obtained its latest determination letter dated March 31, 2008 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

## NOTE E – ADMINISTRATIVE EXPENSES

The Company has not paid any fees in 2014. Both fees incurred at the plan level and at the participant's level are disclosed in compliance with the Department of Labor amended regulation under the Employee Retirement Income Security Act of 1974 (ERISA), Section 404.

## NOTE F – USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## NOTE G – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right, under the Plan, to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

## NOTE H – OTHER PAYABLE

In 2014, there was a participant who over-contributed to the 401(k) plan in the amount of $12,744. The over-contributed amount plus income produced has been refunded to them in 2015.

## NOTE I – LIMITED SCOPE AUDIT

At December 31, 2014 and 2013, the Plan's investments were held by the Trustee. The following is a summary of the Plan's financial information that is included in the financial statements based on information certified by Trustee as complete and accurate in accordance with Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

The fair value of investments at December 31, 2014 and 2013 as reported by the trustee is summarized as follows:

| | 2014 | 2013 |
|---|---|---|
| Equity Fund | 4,098,998 | 5,391,517 |
| Fixed Income Fund | 1,391,390 | 1,157,329 |
| Asset allocation | 1,232,518 | 1,140,608 |
| Common/Collective Trust | 1,032,415 | 1,013,132 |
| Total | 7,755,321 | 8,702,586 |

Each of the above investment represents 5% or more of net assets of the plan at December 31, 2014 and 2013.

| | 2014 | 2013 |
|---|---|---|
| Dividend/interest | 207,222 | 265,361 |
| Net Appreciation (depreciation) in fair value of investment | 337,634 | 1,155,888 |

## NOTE J - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of the net assets available for benefit per the financial statements to Form 5500:

| | December 31 2014 | 2013 |
|---|---|---|
| Net assets available for benefits per the financial statements | 8,143,711 | 8,899,507 |
| Fair value converted to contract value | 18,006 | 19,284 |
| Other payable reported on the financial Statement but not on Form 5500 | 12,744 | 7,808 |
| Net Assets Available for Benefit per the Form 5500 | 8,174,461 | 8,926,599 |

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

| | 2014 | 2013 |
|---|---|---|
| Contribution made per Financial Statements (modified cash basis) | 155,498 | 1,731,911 |
| Add: Employee over-contributed | 12,744 | 7,808 |
| Contribution made per Form 5500 | 168,242 | 1,739,719 |

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

| | 2014 | 2013 |
|---|---|---|
| Benefit paid per Financial Statements (modified cash basis) | 1,679,832 | 250,381 |
| Subtract prior year over-contributed paid in current year | 7,808 | -0- |
| Benefit paid per Form 5500 | 1,687,640 | 250,381 |

## NOTE J – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (cont.)

The following is a reconciliation of the Investment per financial statement at December 31, 2013 and 2012 to Schedule H of Form 5500:

| | 2014 | 2013 |
|---|---|---|
| Total investment for the financial statement | 7,954,861 | 8,702,586 |
| Participant loan is not considered as investment per ASU 2010-25 in the financial statement | 219,600 | 224,013 |
| Total Investment per Form 5500 Schedule H, Line 4i | 8,174,461 | 8,926,599 |

## NOTE K – TAX STATUS

The Internal Revenue Service has determined and informed the company by a letter dated March 31, 2008, that the plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the plan has been amended since receiving the determination letter, the plan administrator and the plan's tax counsel believe that the plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or 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. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2014.

## NOTE L – CHANGE OF THE PARTICIPANTS LOANS REPORTING REQUIREMENT

In September 2010, the FASB issued ASU 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans.* ASU 2010-25 changed the reporting of loans to participants. Prior to ASU 2010-25, loans to participants were reported as investments at fair value. ASU requires that loans to participants be reported as notes receivable from participants at the unpaid principal balance plus any accrued but unpaid interest. ASU 2010-25 is effective for periods ending after December 15, 2010.

Statement of net assets available for benefits of Fresno Plumbing & Heating, Inc. 401 (K) Profit Sharing Plan for December 31, 2014 and 2013 follows the required format.

## NOTE M – RISK AND UNCERTAINTIES

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

## NOTE N – CONTRACT VALUE ACCOUNTING OF STABLE VALUE FUNDS

Some of the participants of Fresno Plumbing & Heating, Inc. 401 (K) profit sharing plan invest in Fidelity Advisor Stable Value Portfolio Class II. It is a commingled pool of the Fidelity Group Trust for Employee Benefit Plans and is managed by Fidelity Management Trust Company (FMTC).

The FA Stable Value Portfolio invests in investment contracts issued by insurance companies and other financial institutions ("Wraps"), fixed income securities, and money market funds. Wraps are designed to permit the use of book value accounting to maintain a constant $1 NAV. Wraps are purchased in conjunction with an investment by the FA Stable Value Portfolio in fixed income securities. These securities may include, but are not limited to, U. S. Treasury and agency bonds, corporate bonds, mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, and bond funds. Through the use of book value accounting, there is no immediate recognition of investment gains and losses on the FA Stable Value Portfolio's securities.

**NOTE N – CONTRACT VALUE ACCOUNTING OF STABLE VALUE FUNDS** (cont.)

Instead, gains and losses are recognized over time by adjusting the interest rate credited to the FA Stable Value Portfolio under the Wraps. The Wraps provide for the payment of participant-directed withdrawals and exchanges at book value (principal and interest accrued to date) during the term of the Wraps. In order to maintain the Wrap issuers' promise to pay ongoing contractual commitments on the FA Stable Value Portfolio as well as the plans invested in the FA Stable Value Portfolio. Withdrawals from the FA Stable Value Portfolio are subject to certain restrictions. Plan sponsor-directed withdrawals may be required to be preceded by 12 months written notice. Although the FA Stable Value Portfolio seeks to maintain a stable $1 NAV, it is possible to lose money by investing in the FA Stable Value Portfolio. The FA Stable Value Portfolio's yield will fluctuate.

The Financial Accounting Standards Board (FASB) released Staff Position AAG INV-1 and SOP 94-4-1 (the "FSP") which is codified in FASB ASC 962-325, addressing accounting rules for defined contribution plan stable value investment options. Under the FSP, only assets that are attributable to "fully benefit-responsive" investment contracts are eligible for contract value accounting treatment. The FA Stable Value Portfolio is a fully benefit-responsive investment contract thus it will be reported at fair value on the net assets available for benefits, along with an adjustment to contract value with net assets available for benefit shown at contract value.

STABLE VALUE PORTFOLIO

Period ending 12/31/2014

| | | |
|---|---|---|
| Total Wrap Rebid Value | $ | 309,731.38 |
| Total Net Assets at Fair Value | $ | 1,806,792,124.27 |
| Total Adj from Fair Value to Contract Value | $ | (31,511,044.78) |
| Market Value Spot Yield | | 1.69% |
| Contract Value Spot Yield | | 1.06% |

Period ending 12/31/2013

| | | |
|---|---|---|
| Total Wrap Rebid Value | $ | 323,106.11 |
| Total Net Assets at Fair Value | $ | 1,878,478,008.16 |
| Total Adj from Fair Value to Contract Value | $ | (35,755,192.11) |
| Market Value Spot Yield | | 1.70% |
| Contract Value Spot Yield | | 0.92% |

**Supplemental Schedule**
**(Modified Cash Basis)**

**December 31, 2014**

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule I*

*Form 5500, Schedule H, line 4i – Schedule of Assets (Held at End of Year) for Investment*

December 31, 2014

Investments at Fair Value
As determined by quoted market price

Marked if is party in interest

| (a) *if is party in interest | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Fair Value |
|---|---|---|---|---|
| | Dreyfus S & P 500 Indx | Mutual Fund | Excluded for | 1,267,987 |
| | Col Sm Cap Val II A | Mutual Fund | participant - directed | 1,990 |
| | Drey Intm Term Inc A | Mutual Fund | Investment | 496,779 |
| | Drey Op Md Cap Value A | Mutual Fund | | 247,451 |
| | Columbia Mdcap Val A | Mutual Fund | | 2,024 |
| | Janus Overseas S | Mutual Fund | | 199,540 |
| | FID Treasury Fd | Money Market | | 860,625 |
| | FA Balanced T | Mutual Fund | | 302,995 |
| | FA Technology T | Mutual Fund | | 432,722 |
| | JPM Equity Income A | Mutual Fund | | 258,792 |
| | Fkln Rising Divs A | Mutual Fund | | 722,850 |
| | FA Equity Growth T | Mutual Fund | | 594,252 |
| | FA Small Cap T | Mutual Fund | | 343,342 |
| | FA Stable Value | Common/Collective Trust | | 1,032,415 |
| | Ivy Mid Cap Growth A | Mutual Fund | | 218,899 |
| | FA Health Care | Mutual Fund | | 8,688 |

See accompanying notes and auditors' report.

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule I(continued)*
*Form 5500, Schedule H, line 4i – Schedule of Assets (Held at End of Year) for Investment*
December 31, 2014

Investments at Fair Value
As determined by quoted market price

Marked if is party in interest

| (a) *if is party interest | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Fair Value |
|---|---|---|---|---|
| | FA Freedom 2010 T | Mutual Fund | | 9,735 |
| | FA Freedom 2020 T | Mutual Fund | | 16,802 |
| | FA Freedom 2030 T | Mutual Fund | | 172,023 |
| | FA Freedom 2040 T | Mutual Fund | | 130,089 |
| | FA Freedom Inc T | Mutual Fund | | 2,184 |
| | FA Freedom 2015 T | Mutual Fund | | 73,727 |
| | FA Freedom 2025 T | Mutual Fund | | 7,981 |
| | FA Freedom 2035 T | Mutual Fund | | 149,709 |
| | FA Freedom 2045 T | Mutual Fund | | 195,544 |
| | FA Freedom 2050 T | Mutual Fund | | 161,196 |
| | FA Freedom 2055 T | Mutual Fund | | 10,534 |
| | FA Gov Income T | Mutual Fund | | 33,986 |
| | | Participants' Loans (the rate is 5.25% to 7.25%, various maturity dates) | | 219,600 |
| | Total | | | 8,174,461 |

See accompanying notes and auditors' report.

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule II*

*Form 5500, Schedule H, line 4i – Schedule of Assets Acquired and Disposed of Within Year*

December 31, 2014

This Schedule is not required to prepare because the variety of investments that are exempt from being reported on this schedule.

# FRESNO PLUMBING & HEATING, INC. 401 (k) PROFIT SHARING PLAN

*Schedule III*

*Form 5500, Schedule H, line 4j – Schedule of Reportable Transactions*

December 31, 2014

Reportable transactions are not required to be compiled for participant-direct investments.