# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2021**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**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.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] 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)

**E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

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

**1a** Name of plan
NEPTUNE MECHANICAL, INC. RETIREMENT PLAN

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

**1c** Effective date of plan 01/01/2005

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
NEPTUNE MECHANICAL, INC.

29 - 10 120TH STREET
FLUSHING, NY 11345

**2b** Employer Identification Number (EIN) 11-3272921

**2c** Plan Sponsor's telephone number 718-886-5059

**2d** Business code (see instructions) 236200

**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. | 10/17/2022 | NICHOLAS NOTIAS |
| | **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 |

**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 or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:

**a** Sponsor's name

**c** Plan Name

**4b** EIN

**4d** PN

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 145 |
| **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)** | 129 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 161 |
| **b** Retired or separated participants receiving benefits | **6b** | 2 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 0 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 163 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e** | **6f** | 163 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 49 |
| **h** Number of participants who 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:

2A 2E 2F 2G 2J 2K 3D 3H

**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)

- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)

- **(1)** [X] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(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)** [X] 1 **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 2021 Form M-1 annual report. If the plan was not required to file the 2021 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 A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Insurance Information

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

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

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

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NEPTUNE MECHANICAL, INC. RETIREMENT PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
NEPTUNE MECHANICAL, INC.

**D** Employer Identification Number (EIN)
11-3272921

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

**1** Coverage Information:

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

| (b) EIN | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year | |
|---|---|---|---|---|---|
| | | | | (f) From | (g) To |
| 36-6071399 | 70688 | 517064-000 | | 01/01/2021 | 12/31/2021 |

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

| (a) Total amount of commissions paid | (b) Total amount of fees paid |
|---|---|
| 0 | 1992 |

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

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

THE PARAGON ALLIANCE GROUP
300 HARLEYSVILLE PIKE
SOUDERTON, PA 18964

| (b) Amount of sales and base commissions paid | Fees and other commissions paid | | |
|---|---|---|---|
| | (c) Amount | (d) Purpose | (e) Organization code |
| | 1992 | TPA FEES | 5 |

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

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

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

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

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

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

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

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

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

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

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

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

## Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

| | | | |
|---|---|---|---|
| **4** | Current value of plan's interest under this contract in the general account at year end | **4** | |
| **5** | Current value of plan's interest under this contract in separate accounts at year end | **5** | |

**6** Contracts With Allocated Funds:

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

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

Specify nature of costs ▶

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

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

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

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ STABLE VALUE OPTION

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

## Part III Welfare Benefit Contract Information

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

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

**a** ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance

**e** ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug

**i** ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract

**m** ☐ Other (specify) ▶

| | | | | |
|---|---|---|---|---|
| **9** Experience-rated contracts: | | | | |
| **a** Premiums: (1) Amount received | **9a(1)** | | | |
| (2) Increase (decrease) in amount due but unpaid | **9a(2)** | | | |
| (3) Increase (decrease) in unearned premium reserve | **9a(3)** | | | |
| (4) Earned (**(1)** + **(2)** - **(3)**) | | | **9a(4)** | |
| **b** Benefit charges (1) Claims paid | **9b(1)** | | | |
| (2) Increase (decrease) in claim reserves | **9b(2)** | | | |
| (3) Incurred claims (add **(1)** and **(2)**) | | | **9b(3)** | |
| (4) Claims charged | | | **9b(4)** | |
| **c** Remainder of premium: (1) Retention charges (on an accrual basis) -- | | | | |
| (A) Commissions | **9c(1)(A)** | | | |
| (B) Administrative service or other fees | **9c(1)(B)** | | | |
| (C) Other specific acquisition costs | **9c(1)(C)** | | | |
| (D) Other expenses | **9c(1)(D)** | | | |
| (E) Taxes | **9c(1)(E)** | | | |
| (F) Charges for risks or other contingencies | **9c(1)(F)** | | | |
| (G) Other retention charges | **9c(1)(G)** | | | |
| (H) Total retention | | | **9c(1)(H)** | |
| (2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.) | | | **9c(2)** | |
| **d** Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement | | | **9d(1)** | |
| (2) Claim reserves | | | **9d(2)** | |
| (3) Other reserves | | | **9d(3)** | |
| **e** Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.) | | | **9e** | |
| **10** Nonexperience-rated contracts: | | | | |
| **a** Total premiums or subscription charges paid to carrier | | | **10a** | |
| **b** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. | | | **10b** | |

Specify nature of costs.

## Part IV Provision of Information

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

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

| SCHEDULE C (Form 5500) | 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.** | **2021**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

| **A** Name of plan | **B** Three-digit plan number (PN) ▶ |
|---|---|
| NEPTUNE MECHANICAL, INC. RETIREMENT PLAN | 001 |
| **C** Plan sponsor's name as shown on line 2a of Form 5500 | **D** Employer Identification Number (EIN) |
| NEPTUNE MECHANICAL, INC. | 11-3272921 |

## 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

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

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

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

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

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

| (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? |
|---|---|---|---|---|---|---|
| 15 37 52 62 64 67 | RECORDKEEPER | 17061 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

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

COMMONWEALTH FINANCIAL NETWORK

04-2675571

| (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? |
|---|---|---|---|---|---|---|
| 27 | INVESTMENT ADVISORY-PLAN | 15335 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

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

THE PARAGON ALLIANCE GROUP

23-3044062

| (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? |
|---|---|---|---|---|---|---|
| 15 37 64 | TPA | 1315 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

**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 |
|---|---|---|
| | | |
| **(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. | |
| | | |

| **(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)**<br>(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

**2021**

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

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NEPTUNE MECHANICAL, INC. RETIREMENT PLAN

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

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
NEPTUNE MECHANICAL, INC.

**D** Employer Identification Number (EIN)
11-3272921

**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:

**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) |
|---|---|---|

**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 |
| **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

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NEPTUNE MECHANICAL, INC. RETIREMENT PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
NEPTUNE MECHANICAL, INC.

**D** Employer Identification Number (EIN)
11-3272921

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 58167 | 92 |
| **(2)** Participant contributions | 1b(2) | 215 | 5256 |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | 89792 | 62249 |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | 484410 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 3665253 | 3743477 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 241 | 0 |
| **(15)** Other | 1c(15) | | |

| | | | **(a)** Beginning of Year | **(b)** End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 3813668 | 4295484 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | 13568 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 13568 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 3813668 | 4281916 |

## 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) | | |
| | **(B)** Participants | 2a(1)(B) | 108996 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 108996 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | 4244 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 4244 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 395593 |
| c Other income | 2c | | 3691 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 512524 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 10565 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 10565 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | 33711 | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 33711 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 44276 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 468248 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

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

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

**(1)** [X] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

**(1)** Name: WITHUM **(2)** EIN: 22-2027092

**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 | | 5256 |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | **4e** | X | | 375504 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | **4j** | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | **4n** | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

# 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 sections 104 and 4065 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

**2021**

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

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NEPTUNE MECHANICAL, INC. RETIREMENT PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
NEPTUNE MECHANICAL, INC.

**D** Employer Identification Number (EIN)
11-3272921

## 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): 39-0989781

**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 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 deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

| | | |
|---|---|---|
| **a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment) | **14a** | |
| **b** The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14b** | |
| **c** The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **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):

**20** **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

**NEPTUNE MECHANICAL, INC. RETIREMENT PLAN**
**Financial Statements**
**December 31, 2021 and 2020**
**With Independent Auditor's Report**

withum
ADVISORY TAX AUDIT

**Neptune Mechanical, Inc. Retirement Plan**
**Table of Contents**
**December 31, 2021 and 2020**


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# INDEPENDENT AUDITOR'S REPORT

To the Company,
Neptune Mechanical, Inc. Retirement Plan:

## Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the financial statements of Neptune Mechanical, Inc. Retirement Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Neptune Mechanical, Inc. Retirement Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

## Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Neptune Mechanical, Inc. Retirement Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Neptune Mechanical, Inc. Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

## Other Matter

### *2021 Supplemental Schedules Required by ERISA*

The supplemental schedule H, part IV, line 4i - schedule of assets (held at end of year) as of December 31, 2021 and schedule H, part IV, line 4a - schedule of delinquent participant contributions for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Wilkum Smith + Brown, PC

October 17, 2022

## Neptune Mechanical, Inc. Retirement Plan
## Statements of Net Assets Available for Benefits
## December 31, 2021 and 2020

| | 2021 | 2020 |
|---|---|---|
| **Assets** | | |
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| Total investments, at fair value | 4,227,887 | 3,669,180 |
| Receivables | | |
| Participants' contributions receivable | 5,256 | 215 |
| Employer contributions receivable | 92 | 58,167 |
| Notes receivable from participants | 62,249 | 89,792 |
| Total receivables | 67,597 | 148,174 |
| **Liabilities** | | |
| Excess contributions payable | 13,568 | - |
| Net assets available for benefits | $ 4,281,916 | $ 3,817,354 |

The Notes to Financial Statements are an integral part of these statements.

## Neptune Mechanical, Inc. Retirement Plan
## Statement of Changes in Net Assets Available for Benefits
## Year Ended December 31, 2021

| | |
|---|---|
| **Additions** | |
| Additions to net assets attributed to investment income | |
| Net appreciation in fair value of investments | $ 328,444 |
| Interest and dividend income | 67,154 |
| | 395,598 |
| Interest income, notes receivable from participants | 4,244 |
| Contributions | |
| Participants' | 108,996 |
| Total additions | 508,838 |
| **Deductions** | |
| Deductions from net assets attributed to | |
| Benefits paid to participants | 10,565 |
| Administrative and other fees | 33,711 |
| Total deductions | 44,276 |
| **Net change in net assets available for benefits** | 464,562 |
| **Net assets available for benefits** | |
| Beginning of year | 3,817,354 |
| End of year | $ 4,281,916 |

The Notes to Financial Statements are an integral part of this statement.

## 1. DESCRIPTION OF THE PLAN

The following description of the Neptune Mechanical, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

### Plan Sponsor

The Plan Sponsor, Neptune Mechanical, Inc., is a member of a controlled group which includes the following companies (collectively the "Company"):

- Neptune Mechanical, Inc.
- Neptune Mechanical, LLC
- GMI Realty LLC

### General

The Plan qualifies under Section 401(k) of the Internal Revenue Code ("IRC") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan was established for the purpose of providing eligible employees of the Company and their beneficiaries, funds for retirement.

### Eligibility

Employees of the Company, who are full-time and not covered under a collective bargaining agreement, are eligible to contribute to the Plan upon completing 1 year of service. The entry date into the Plan is the first day of the plan year quarter coinciding with or following the date the employee satisfies the eligibility requirements.

### Employee Contributions

A participating employee may contribute a percentage of eligible compensation, not to exceed the annual limits established by the IRC, as amended. Under the Plan, participants may make tax deferred contributions, qualified rollover contributions and Roth elective contributions. The maximum pre-tax participant contribution allowed during 2021 was $19,500. The Plan allows employees who are contributing to the Plan who have attained age 50 to make catch-up contributions.

### Employer Contributions

The Company may make a discretionary matching contribution to the Plan in an amount determined by the Company each plan year equal to a uniform percentage of participant deferrals. Any participant who makes elective deferral contributions and is employed during the plan year will be eligible to receive an allocation of any employer matching contribution that is made. There was no discretionary matching contribution for the year ended December 31, 2021.

The Company may make a discretionary profit-sharing contribution to the Plan in an amount to be determined by the Company at plan year end. Participants must be employed as of the last day of the plan year to be eligible to receive any profit-sharing contribution that may be made for that plan year. There was no discretionary profit-sharing contribution for the year ended December 31, 2021.

If work performed by an employee for the Company is subject to prevailing wage laws, the Company will make contributions to the Plan to help satisfy the fringe benefit requirements of the law. There was no prevailing wage contributions for the year ended December 31, 2021.

**Participant Accounts**
Each participant's account is credited with the participant's salary reduction contribution, the participant's qualified rollover contribution, the participant's Roth contribution, the employer's discretionary matching contribution, the employer's prevailing wage contribution and allocations of (a) the employer's discretionary profit-sharing contribution, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined. The participant's account is reduced by withdrawals, losses on investments and any forfeitures.

Investment income is reinvested in the same fund in which it was earned. Net Plan earnings are allocated to each participant's account, on a daily basis, based upon the earnings (or losses) of the particular fund or funds in which the participant's account is invested.

**Vesting**
Participants are immediately vested in all contributions made to the Plan after July 1, 2015.

**Notes Receivable from Participants**
Participants may borrow from their vested interest in their fund accounts. The amount shall not exceed the lesser of $50,000 or 50% of the participant's vested interest. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from 1-5 years unless the loan is for the purchase of a primary residence, are limited to one outstanding loan per participant at a given time, and bear interest at 1% above the prime rate. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with current market interest rates. Principal and interest are paid ratably through bi-weekly payroll deductions. At December 31, 2021, the interest rates applied to all loans ranged from 3.25% to 6.50%.

Under the provisions of the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), which was passed in early 2020 as a result of the 2019 novel coronavirus ("COVID-19") pandemic, participants are provided with a 1-year delay for loan payments due in 2020, on or after March 27, preventing default until at least March 28, 2021, when repayments will begin on a new schedule.

**Distributions and Withdrawals**
Prior to age 59½, distributions and withdrawals are not permitted from the Plan except in the instances of hardship, death, disability, or termination of employment. Hardship withdrawals are not permitted from balances attributable to prevailing wage contributions and are not permitted unless the participant is employed with the Company at the time of hardship. After attaining age 59½, participants may elect to withdraw an amount equal to any whole percentage not to exceed 100% of the participant's vested account for any reason. On termination of service due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum payment or in annual installments not exceeding the life expectancy of the participant or the participant's beneficiary, if the participant has died. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

**Participants' Investment Options**
Upon enrollment in the Plan, a participant may direct employee and employer contributions in any increment in various investment options offered by the Plan. The Plan currently offers various mutual funds and a collective investment trust investment option.

Participants may change their investment options at any time.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### Use of Estimates

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

### Investments

Investments are reported at fair value. Mutual funds are valued at quoted prices in an active market, which represent the net asset value ("NAV") of shares held by the Plan at year end. The Plan's investment in the collective investment trust is based on the NAV of the trust's underlying investments as recorded in the audited financial statements of the trust at year-end. Purchases and sales of specific investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

### Notes Receivable From Participants

Notes receivable from participants are valued at their outstanding unpaid principal balances, plus accrued interest, which approximates fair value. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. Delinquent participant loans are recorded as distributions to participants.

### Excess Contributions Payable

Amounts payable to certain participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

### Payment of Benefits

Benefit payments to participants are recorded upon distribution.

### Administrative and Other Fees

All trustee and recordkeeping expenses related to the administration of the Plan are paid entirely by the Plan unless they are paid by the Company. In addition, participants are charged service fees for any loan and distribution transactions they request, and certain investment related expenses have been offset with net investment income and are not readily determinable.

### Risks and Uncertainties

The Plan provides participants with the option to invest in various investment securities. All investment securities are exposed to some type of risk, including, but not limited to, exposure to changes in interest rates, market fluctuations, economic conditions and currency devaluation. Due to the level of risk associated with certain investment securities, it is possible that changes in the near term could materially affect certain participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2021 may not necessarily be indicative of the amounts that could be realized in a current market exchange.

## 3. INVESTMENTS CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan has elected the method of annual compliance reporting permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Therefore, as permitted, no auditing procedures were performed by the independent public accountants. Reliance Trust Company "Reliance", the Custodian of the Plan, holds investment assets and executes investment transactions therein, and substantially all information pertaining to the Plan's investments and notes receivable from participants included in the financial statements, including the associated investment income (loss) and interest earned on notes receivable from participants, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee of the Plan. Based on information provided and certified by the trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2021 and 2020.

The following information as of December 31, 2021 and 2020 and for the year ended December 31, 2021 was prepared from reports certified by the trustee:

| | 2021 | 2020 |
|---|---|---|
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| | $ 4,227,887 | $ 3,669,180 |
| Notes receivable from participants | $ 62,249 | $ 89,792 |
| Net appreciation in fair value of investments | $ 328,444 | |
| Interest and dividend income | $ 67,154 | |
| Interest income, notes receivable from participants | $ 4,244 | |

## 4. FAIR VALUE OF INVESTMENTS

The Plan's investments are recorded in accordance with Financial Account Standards Board ("FASB") Accounting Standard Codification ("ASC") 820, *Fair Value Measurement*, which established a framework for measuring fair value and clarifies that fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The 3 levels of the fair value hierarchy are described below:

*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. Such inputs include quoted prices in active markets for identical assets or liabilities.

*Level 2* - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* - Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used for the periods presented in these financial statements.

*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 ("SEC"). 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.

*Collective Investment Trust*: Value of the collective investment trust represents contributions made under the contract, plus earnings, less Plan withdrawals and administrative expenses. Net asset value of the underlying funds is reported by the investment advisor using the audited financial statements of the collective trust at year-end.

The investment in the collective investment trust is valued utilizing the NAV as a practical expedient to estimate fair value. The use of NAV is deemed appropriate as the collective investment trust does not have a finite life, unfunded commitments relating to the types of investment or significant restrictions on redemptions. The practical expedient is used for valuation, unless it is probable that the Plan will sell a portion of the investment at an amount different from the NAV.

The following tables set forth, by level, within the fair value hierarchy, the Plan's assets, and fair value as of December 31:

| | 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,743,477 | $ - | $ - | $ 3,743,477 |
| Investments measured at NAV (a) | | | | 484,410 |
| Investments at fair value | | | | $ 4,227,887 |

| | 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,241,835 | $ - | $ - | $ 3,241,835 |
| Investments measured at NAV (a) | | | | 427,345 |
| Investments at fair value | | | | $ 3,669,180 |

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

**Investments Measured Using the NAV per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

| December 31, 2021 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 484,410 | N/A | Daily | None |

| December 31, 2020 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 427,345 | N/A | Daily | None |

## 5. PLAN TERMINATION

Although it has not expressed any intention 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 the IRC. In the event of Plan termination, participants will become 100% vested in their accounts.

## 6. PARTIES-IN-INTEREST

The Company provides the Plan with certain accounting and administrative services for which no fees are charged. The Plan allows for administrative costs to be paid by the Company or absorbed through the forfeiture account. Certain costs are paid by the Company directly.

Certain Plan investments are units of a collective investment trust fund managed by the custodian, and therefore, these transactions qualify as party-in-interest. Fees paid by the Plan to Transamerica Retirement Solutions, the recordkeeper, amounted to approximately $17,000 for the year ended December 31, 2021. Additionally, the Plan issues loans to participants, which are secured by the participants' account balances. These transactions qualify as exempt party-in-interest transactions.

The expense budget account is funded by a return of contract asset charges or the expense ratio. The Plan received a servicing credit of $16,852 during the year ended December 31, 2021. During the year ended December 31, 2021, $16,289 of the credit was used to pay various expenses of the Plan. At December 31, 2021 and 2020, the account had a balance of $4,249 and $3,686, respectively.

## 7. TAX STATUS

The Plan obtained its latest determination letter on March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan is required to operate in conformity with the applicable provisions of the IRC to maintain its tax-qualified status. The Plan has been amended since receiving the opinion letter. However, the Company believes the Plan is being operated in compliance with the applicable requirements of the IRC, and therefore, believes the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability, or asset, if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or the DOL. The Company has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, 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 examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress. Furthermore, there are no tax related interest or penalties included in the financial statements presented.

## 8. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of amounts per the financial statements to Schedule H of Form 5500 at December 31:

| | 2021 | 2020 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 4,281,916 | $ 3,817,354 |
| Expense budget account balance not recorded on Schedule H of Form 5500 | - | (3,686) |
| Net assets available for benefits per Schedule H of Form 5500 | $ 4,281,916 | $ 3,813,668 |

The following is a reconciliation of the net change in net assets available for benefits per the financial statements to Schedule H of Form 5500 for the year ended December 31, 2021:

| | |
|---|---|
| Net change in net assets available for benefits per the financial statements | $ 464,562 |
| Other income recorded on Schedule H of Form 5500 to conform with financial reporting | 3,686 |
| Net change in net assets available for benefits per Schedule H of Form 5500 | $ 468,248 |

## 9. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 17, 2022, the date the financial statements were available to be issued. Based on this evaluation, the Plan has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

Effective June 1, 2022, the Plan was amended and restated. Participants should refer to the amended and restated Plan document for a more complete description of the Plan's provisions.

# SUPPLEMENTARY INFORMATION

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)**
**EIN: 11-3272921, Plan #001**
**December 31, 2021**

| (a) | (b) Identity of Issuer, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Date | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Mutual Funds** | | | |
| | American Funds | American Mutual R6 | ** | $ 309,250 |
| | American Funds | Capital Income Bldr R6 | ** | 126 |
| | American Funds | Europacific Gr R6 | ** | 79,229 |
| | American Funds | New World R6 | ** | 66,288 |
| | Baron Capital Group, Inc. | Growth Instl | ** | 53,585 |
| | BlackRock | Multi-Asset Income Instl | ** | 1,361 |
| | BlackRock | Stategic Income Opps Instl | ** | 194,275 |
| | Dimensional Fund Advisors | US Targeted Value I | ** | 61,971 |
| | Franklin Templeton Investments | Western Asset Core Bond IS | ** | 936,640 |
| | Lord Abbett | Short Duration Income R3 | ** | 280,516 |
| | MFS | International Intrinsic Value R3 | ** | 104,091 |
| | MFS | Mid Cap Value R6 | ** | 47,726 |
| | PGIM Funds | Global Real Estate Z | ** | 43,259 |
| | Sprott | Gold Investor | ** | 755 |
| | T. Rowe Price | Blue Chip Growth | ** | 538,834 |
| | T. Rowe Price | New Era | ** | 1,111 |
| | T. Rowe Price | Overseas Stock I | ** | 99,755 |
| | T. Rowe Price | QM US Small-Cap Gr Eq | ** | 64,392 |
| | Vanguard | 500 Index Admiral | ** | 242,572 |
| | Vanguard | Dividend Growth inv | ** | 250,954 |
| | Vanguard | Equity-Income Adm | ** | 271,195 |
| | Vanguard | Mid Cap Index Admiral | ** | 26,167 |
| | Vanguard | Small Cap Index Adm | ** | 69,425 |
| | Total mutual funds | | | 3,743,477 |
| | **Collective investment trust fund** | | | |
| | Reliance Trust Company | Reliance Metlife Series 25053 Cl O | ** | 484,410 |
| | Total investments | | | 4,227,887 |
| * | **Notes Receivable From Participants** | 3.25% - 6.50% through 2026 | $-0- | 62,249 |
| | Total assets held for investment purposes at end of year | | | $ 4,290,136 |

* Denotes a party-in-interest.
** Cost omitted for participant directed investments.

See Independent Auditor's Report.

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions**
**EIN: 11-3272921, Plan #001**
**Year Ended December 31, 2021**

| Plan Year | Participant Contributions Transferred Late to Plan | Total that Constitute Non-Exempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|---|
| | Check Here if Late Participant Loan Repayments are Included: | Contributions Not Corrected | Contributions Corrected Outside VFCP* | Contributions Pending Correction in VFCP | |
| 2021 | $ 5,041 | $ 5,041 | $ - | $ - | $ - |
| 2020 | $ 215 | $ 215 | $ - | $ - | $ - |

See Independent Auditor's Report.

**NEPTUNE MECHANICAL, INC. RETIREMENT PLAN**
**Financial Statements**
**December 31, 2021 and 2020**
**With Independent Auditor's Report**

withum
ADVISORY TAX AUDIT

**Neptune Mechanical, Inc. Retirement Plan**
**Table of Contents**
**December 31, 2021 and 2020**


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# INDEPENDENT AUDITOR'S REPORT

To the Company,
Neptune Mechanical, Inc. Retirement Plan:

## Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the financial statements of Neptune Mechanical, Inc. Retirement Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Neptune Mechanical, Inc. Retirement Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

## Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Neptune Mechanical, Inc. Retirement Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Neptune Mechanical, Inc. Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

## Other Matter

### *2021 Supplemental Schedules Required by ERISA*

The supplemental schedule H, part IV, line 4i - schedule of assets (held at end of year) as of December 31, 2021 and schedule H, part IV, line 4a - schedule of delinquent participant contributions for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Wilkum Smith + Brown, PC

October 17, 2022

## Neptune Mechanical, Inc. Retirement Plan
## Statements of Net Assets Available for Benefits
## December 31, 2021 and 2020

| | 2021 | 2020 |
|---|---|---|
| **Assets** | | |
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| Total investments, at fair value | 4,227,887 | 3,669,180 |
| Receivables | | |
| Participants' contributions receivable | 5,256 | 215 |
| Employer contributions receivable | 92 | 58,167 |
| Notes receivable from participants | 62,249 | 89,792 |
| Total receivables | 67,597 | 148,174 |
| **Liabilities** | | |
| Excess contributions payable | 13,568 | - |
| Net assets available for benefits | $ 4,281,916 | $ 3,817,354 |

The Notes to Financial Statements are an integral part of these statements.

## Neptune Mechanical, Inc. Retirement Plan
## Statement of Changes in Net Assets Available for Benefits
## Year Ended December 31, 2021

| | |
|---|---|
| **Additions** | |
| Additions to net assets attributed to investment income | |
| Net appreciation in fair value of investments | $ 328,444 |
| Interest and dividend income | 67,154 |
| | 395,598 |
| Interest income, notes receivable from participants | 4,244 |
| Contributions | |
| Participants' | 108,996 |
| Total additions | 508,838 |
| **Deductions** | |
| Deductions from net assets attributed to | |
| Benefits paid to participants | 10,565 |
| Administrative and other fees | 33,711 |
| Total deductions | 44,276 |
| **Net change in net assets available for benefits** | 464,562 |
| **Net assets available for benefits** | |
| Beginning of year | 3,817,354 |
| End of year | $ 4,281,916 |

The Notes to Financial Statements are an integral part of this statement.

## 1. DESCRIPTION OF THE PLAN

The following description of the Neptune Mechanical, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

### Plan Sponsor

The Plan Sponsor, Neptune Mechanical, Inc., is a member of a controlled group which includes the following companies (collectively the "Company"):

- Neptune Mechanical, Inc.
- Neptune Mechanical, LLC
- GMI Realty LLC

### General

The Plan qualifies under Section 401(k) of the Internal Revenue Code ("IRC") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan was established for the purpose of providing eligible employees of the Company and their beneficiaries, funds for retirement.

### Eligibility

Employees of the Company, who are full-time and not covered under a collective bargaining agreement, are eligible to contribute to the Plan upon completing 1 year of service. The entry date into the Plan is the first day of the plan year quarter coinciding with or following the date the employee satisfies the eligibility requirements.

### Employee Contributions

A participating employee may contribute a percentage of eligible compensation, not to exceed the annual limits established by the IRC, as amended. Under the Plan, participants may make tax deferred contributions, qualified rollover contributions and Roth elective contributions. The maximum pre-tax participant contribution allowed during 2021 was $19,500. The Plan allows employees who are contributing to the Plan who have attained age 50 to make catch-up contributions.

### Employer Contributions

The Company may make a discretionary matching contribution to the Plan in an amount determined by the Company each plan year equal to a uniform percentage of participant deferrals. Any participant who makes elective deferral contributions and is employed during the plan year will be eligible to receive an allocation of any employer matching contribution that is made. There was no discretionary matching contribution for the year ended December 31, 2021.

The Company may make a discretionary profit-sharing contribution to the Plan in an amount to be determined by the Company at plan year end. Participants must be employed as of the last day of the plan year to be eligible to receive any profit-sharing contribution that may be made for that plan year. There was no discretionary profit-sharing contribution for the year ended December 31, 2021.

If work performed by an employee for the Company is subject to prevailing wage laws, the Company will make contributions to the Plan to help satisfy the fringe benefit requirements of the law. There was no prevailing wage contributions for the year ended December 31, 2021.

**Participant Accounts**
Each participant's account is credited with the participant's salary reduction contribution, the participant's qualified rollover contribution, the participant's Roth contribution, the employer's discretionary matching contribution, the employer's prevailing wage contribution and allocations of (a) the employer's discretionary profit-sharing contribution, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined. The participant's account is reduced by withdrawals, losses on investments and any forfeitures.

Investment income is reinvested in the same fund in which it was earned. Net Plan earnings are allocated to each participant's account, on a daily basis, based upon the earnings (or losses) of the particular fund or funds in which the participant's account is invested.

**Vesting**
Participants are immediately vested in all contributions made to the Plan after July 1, 2015.

**Notes Receivable from Participants**
Participants may borrow from their vested interest in their fund accounts. The amount shall not exceed the lesser of $50,000 or 50% of the participant's vested interest. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from 1-5 years unless the loan is for the purchase of a primary residence, are limited to one outstanding loan per participant at a given time, and bear interest at 1% above the prime rate. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with current market interest rates. Principal and interest are paid ratably through bi-weekly payroll deductions. At December 31, 2021, the interest rates applied to all loans ranged from 3.25% to 6.50%.

Under the provisions of the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), which was passed in early 2020 as a result of the 2019 novel coronavirus ("COVID-19") pandemic, participants are provided with a 1-year delay for loan payments due in 2020, on or after March 27, preventing default until at least March 28, 2021, when repayments will begin on a new schedule.

**Distributions and Withdrawals**
Prior to age 59½, distributions and withdrawals are not permitted from the Plan except in the instances of hardship, death, disability, or termination of employment. Hardship withdrawals are not permitted from balances attributable to prevailing wage contributions and are not permitted unless the participant is employed with the Company at the time of hardship. After attaining age 59½, participants may elect to withdraw an amount equal to any whole percentage not to exceed 100% of the participant's vested account for any reason. On termination of service due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum payment or in annual installments not exceeding the life expectancy of the participant or the participant's beneficiary, if the participant has died. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

**Participants' Investment Options**
Upon enrollment in the Plan, a participant may direct employee and employer contributions in any increment in various investment options offered by the Plan. The Plan currently offers various mutual funds and a collective investment trust investment option.

Participants may change their investment options at any time.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### Use of Estimates

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

### Investments

Investments are reported at fair value. Mutual funds are valued at quoted prices in an active market, which represent the net asset value ("NAV") of shares held by the Plan at year end. The Plan's investment in the collective investment trust is based on the NAV of the trust's underlying investments as recorded in the audited financial statements of the trust at year-end. Purchases and sales of specific investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

### Notes Receivable From Participants

Notes receivable from participants are valued at their outstanding unpaid principal balances, plus accrued interest, which approximates fair value. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. Delinquent participant loans are recorded as distributions to participants.

### Excess Contributions Payable

Amounts payable to certain participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

### Payment of Benefits

Benefit payments to participants are recorded upon distribution.

### Administrative and Other Fees

All trustee and recordkeeping expenses related to the administration of the Plan are paid entirely by the Plan unless they are paid by the Company. In addition, participants are charged service fees for any loan and distribution transactions they request, and certain investment related expenses have been offset with net investment income and are not readily determinable.

### Risks and Uncertainties

The Plan provides participants with the option to invest in various investment securities. All investment securities are exposed to some type of risk, including, but not limited to, exposure to changes in interest rates, market fluctuations, economic conditions and currency devaluation. Due to the level of risk associated with certain investment securities, it is possible that changes in the near term could materially affect certain participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2021 may not necessarily be indicative of the amounts that could be realized in a current market exchange.

## 3. INVESTMENTS CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan has elected the method of annual compliance reporting permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Therefore, as permitted, no auditing procedures were performed by the independent public accountants. Reliance Trust Company "Reliance", the Custodian of the Plan, holds investment assets and executes investment transactions therein, and substantially all information pertaining to the Plan's investments and notes receivable from participants included in the financial statements, including the associated investment income (loss) and interest earned on notes receivable from participants, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee of the Plan. Based on information provided and certified by the trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2021 and 2020.

The following information as of December 31, 2021 and 2020 and for the year ended December 31, 2021 was prepared from reports certified by the trustee:

| | 2021 | 2020 |
|---|---|---|
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| | $ 4,227,887 | $ 3,669,180 |
| Notes receivable from participants | $ 62,249 | $ 89,792 |
| Net appreciation in fair value of investments | $ 328,444 | |
| Interest and dividend income | $ 67,154 | |
| Interest income, notes receivable from participants | $ 4,244 | |

## 4. FAIR VALUE OF INVESTMENTS

The Plan's investments are recorded in accordance with Financial Account Standards Board ("FASB") Accounting Standard Codification ("ASC") 820, *Fair Value Measurement*, which established a framework for measuring fair value and clarifies that fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The 3 levels of the fair value hierarchy are described below:

*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. Such inputs include quoted prices in active markets for identical assets or liabilities.

*Level 2* - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* - Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used for the periods presented in these financial statements.

*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 ("SEC"). 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.

*Collective Investment Trust*: Value of the collective investment trust represents contributions made under the contract, plus earnings, less Plan withdrawals and administrative expenses. Net asset value of the underlying funds is reported by the investment advisor using the audited financial statements of the collective trust at year-end.

The investment in the collective investment trust is valued utilizing the NAV as a practical expedient to estimate fair value. The use of NAV is deemed appropriate as the collective investment trust does not have a finite life, unfunded commitments relating to the types of investment or significant restrictions on redemptions. The practical expedient is used for valuation, unless it is probable that the Plan will sell a portion of the investment at an amount different from the NAV.

The following tables set forth, by level, within the fair value hierarchy, the Plan's assets, and fair value as of December 31:

| | 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,743,477 | $ - | $ - | $ 3,743,477 |
| Investments measured at NAV (a) | | | | 484,410 |
| Investments at fair value | | | | $ 4,227,887 |

| | 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,241,835 | $ - | $ - | $ 3,241,835 |
| Investments measured at NAV (a) | | | | 427,345 |
| Investments at fair value | | | | $ 3,669,180 |

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

**Investments Measured Using the NAV per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

| December 31, 2021 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 484,410 | N/A | Daily | None |

| December 31, 2020 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 427,345 | N/A | Daily | None |

## 5. PLAN TERMINATION

Although it has not expressed any intention 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 the IRC. In the event of Plan termination, participants will become 100% vested in their accounts.

## 6. PARTIES-IN-INTEREST

The Company provides the Plan with certain accounting and administrative services for which no fees are charged. The Plan allows for administrative costs to be paid by the Company or absorbed through the forfeiture account. Certain costs are paid by the Company directly.

Certain Plan investments are units of a collective investment trust fund managed by the custodian, and therefore, these transactions qualify as party-in-interest. Fees paid by the Plan to Transamerica Retirement Solutions, the recordkeeper, amounted to approximately $17,000 for the year ended December 31, 2021. Additionally, the Plan issues loans to participants, which are secured by the participants' account balances. These transactions qualify as exempt party-in-interest transactions.

The expense budget account is funded by a return of contract asset charges or the expense ratio. The Plan received a servicing credit of $16,852 during the year ended December 31, 2021. During the year ended December 31, 2021, $16,289 of the credit was used to pay various expenses of the Plan. At December 31, 2021 and 2020, the account had a balance of $4,249 and $3,686, respectively.

## 7. TAX STATUS

The Plan obtained its latest determination letter on March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan is required to operate in conformity with the applicable provisions of the IRC to maintain its tax-qualified status. The Plan has been amended since receiving the opinion letter. However, the Company believes the Plan is being operated in compliance with the applicable requirements of the IRC, and therefore, believes the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability, or asset, if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or the DOL. The Company has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, 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 examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress. Furthermore, there are no tax related interest or penalties included in the financial statements presented.

## 8. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of amounts per the financial statements to Schedule H of Form 5500 at December 31:

| | 2021 | 2020 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 4,281,916 | $ 3,817,354 |
| Expense budget account balance not recorded on Schedule H of Form 5500 | - | (3,686) |
| Net assets available for benefits per Schedule H of Form 5500 | $ 4,281,916 | $ 3,813,668 |

The following is a reconciliation of the net change in net assets available for benefits per the financial statements to Schedule H of Form 5500 for the year ended December 31, 2021:

| | |
|---|---|
| Net change in net assets available for benefits per the financial statements | $ 464,562 |
| Other income recorded on Schedule H of Form 5500 to conform with financial reporting | 3,686 |
| Net change in net assets available for benefits per Schedule H of Form 5500 | $ 468,248 |

## 9. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 17, 2022, the date the financial statements were available to be issued. Based on this evaluation, the Plan has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

Effective June 1, 2022, the Plan was amended and restated. Participants should refer to the amended and restated Plan document for a more complete description of the Plan's provisions.

# SUPPLEMENTARY INFORMATION

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)**
**EIN: 11-3272921, Plan #001**
**December 31, 2021**

| (a) | (b) Identity of Issuer, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Date | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Mutual Funds** | | | |
| | American Funds | American Mutual R6 | ** | $ 309,250 |
| | American Funds | Capital Income Bldr R6 | ** | 126 |
| | American Funds | Europacific Gr R6 | ** | 79,229 |
| | American Funds | New World R6 | ** | 66,288 |
| | Baron Capital Group, Inc. | Growth Instl | ** | 53,585 |
| | BlackRock | Multi-Asset Income Instl | ** | 1,361 |
| | BlackRock | Stategic Income Opps Instl | ** | 194,275 |
| | Dimensional Fund Advisors | US Targeted Value I | ** | 61,971 |
| | Franklin Templeton Investments | Western Asset Core Bond IS | ** | 936,640 |
| | Lord Abbett | Short Duration Income R3 | ** | 280,516 |
| | MFS | International Intrinsic Value R3 | ** | 104,091 |
| | MFS | Mid Cap Value R6 | ** | 47,726 |
| | PGIM Funds | Global Real Estate Z | ** | 43,259 |
| | Sprott | Gold Investor | ** | 755 |
| | T. Rowe Price | Blue Chip Growth | ** | 538,834 |
| | T. Rowe Price | New Era | ** | 1,111 |
| | T. Rowe Price | Overseas Stock I | ** | 99,755 |
| | T. Rowe Price | QM US Small-Cap Gr Eq | ** | 64,392 |
| | Vanguard | 500 Index Admiral | ** | 242,572 |
| | Vanguard | Dividend Growth inv | ** | 250,954 |
| | Vanguard | Equity-Income Adm | ** | 271,195 |
| | Vanguard | Mid Cap Index Admiral | ** | 26,167 |
| | Vanguard | Small Cap Index Adm | ** | 69,425 |
| | Total mutual funds | | | 3,743,477 |
| | **Collective investment trust fund** | | | |
| | Reliance Trust Company | Reliance Metlife Series 25053 Cl O | ** | 484,410 |
| | Total investments | | | 4,227,887 |
| * | **Notes Receivable From Participants** | 3.25% - 6.50% through 2026 | $-0- | 62,249 |
| | Total assets held for investment purposes at end of year | | | $ 4,290,136 |

* Denotes a party-in-interest.
** Cost omitted for participant directed investments.

See Independent Auditor's Report.

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions**
**EIN: 11-3272921, Plan #001**
**Year Ended December 31, 2021**

| Plan Year | Participant Contributions Transferred Late to Plan | Total that Constitute Non-Exempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|---|
| | Check Here if Late Participant Loan Repayments are Included: | Contributions Not Corrected | Contributions Corrected Outside VFCP* | Contributions Pending Correction in VFCP | |
| 2021 | $ 5,041 | $ 5,041 | $ - | $ - | $ - |
| 2020 | $ 215 | $ 215 | $ - | $ - | $ - |

See Independent Auditor's Report.

**NEPTUNE MECHANICAL, INC. RETIREMENT PLAN**
**Financial Statements**
**December 31, 2021 and 2020**
**With Independent Auditor's Report**

withum
ADVISORY TAX AUDIT

**Neptune Mechanical, Inc. Retirement Plan**
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**December 31, 2021 and 2020**


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# INDEPENDENT AUDITOR'S REPORT

To the Company,
Neptune Mechanical, Inc. Retirement Plan:

## Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the financial statements of Neptune Mechanical, Inc. Retirement Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Neptune Mechanical, Inc. Retirement Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

## Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Neptune Mechanical, Inc. Retirement Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Neptune Mechanical, Inc. Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

## Other Matter

### *2021 Supplemental Schedules Required by ERISA*

The supplemental schedule H, part IV, line 4i - schedule of assets (held at end of year) as of December 31, 2021 and schedule H, part IV, line 4a - schedule of delinquent participant contributions for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Wilkum Smith + Brown, PC

October 17, 2022

## Neptune Mechanical, Inc. Retirement Plan
## Statements of Net Assets Available for Benefits
## December 31, 2021 and 2020

| | 2021 | 2020 |
|---|---|---|
| **Assets** | | |
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| Total investments, at fair value | 4,227,887 | 3,669,180 |
| Receivables | | |
| Participants' contributions receivable | 5,256 | 215 |
| Employer contributions receivable | 92 | 58,167 |
| Notes receivable from participants | 62,249 | 89,792 |
| Total receivables | 67,597 | 148,174 |
| **Liabilities** | | |
| Excess contributions payable | 13,568 | - |
| Net assets available for benefits | $ 4,281,916 | $ 3,817,354 |

The Notes to Financial Statements are an integral part of these statements.

## Neptune Mechanical, Inc. Retirement Plan
## Statement of Changes in Net Assets Available for Benefits
## Year Ended December 31, 2021

| | |
|---|---|
| **Additions** | |
| Additions to net assets attributed to investment income | |
| Net appreciation in fair value of investments | $ 328,444 |
| Interest and dividend income | 67,154 |
| | 395,598 |
| Interest income, notes receivable from participants | 4,244 |
| Contributions | |
| Participants' | 108,996 |
| Total additions | 508,838 |
| **Deductions** | |
| Deductions from net assets attributed to | |
| Benefits paid to participants | 10,565 |
| Administrative and other fees | 33,711 |
| Total deductions | 44,276 |
| **Net change in net assets available for benefits** | 464,562 |
| **Net assets available for benefits** | |
| Beginning of year | 3,817,354 |
| End of year | $ 4,281,916 |

The Notes to Financial Statements are an integral part of this statement.

## 1. DESCRIPTION OF THE PLAN

The following description of the Neptune Mechanical, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

### Plan Sponsor

The Plan Sponsor, Neptune Mechanical, Inc., is a member of a controlled group which includes the following companies (collectively the "Company"):

- Neptune Mechanical, Inc.
- Neptune Mechanical, LLC
- GMI Realty LLC

### General

The Plan qualifies under Section 401(k) of the Internal Revenue Code ("IRC") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan was established for the purpose of providing eligible employees of the Company and their beneficiaries, funds for retirement.

### Eligibility

Employees of the Company, who are full-time and not covered under a collective bargaining agreement, are eligible to contribute to the Plan upon completing 1 year of service. The entry date into the Plan is the first day of the plan year quarter coinciding with or following the date the employee satisfies the eligibility requirements.

### Employee Contributions

A participating employee may contribute a percentage of eligible compensation, not to exceed the annual limits established by the IRC, as amended. Under the Plan, participants may make tax deferred contributions, qualified rollover contributions and Roth elective contributions. The maximum pre-tax participant contribution allowed during 2021 was $19,500. The Plan allows employees who are contributing to the Plan who have attained age 50 to make catch-up contributions.

### Employer Contributions

The Company may make a discretionary matching contribution to the Plan in an amount determined by the Company each plan year equal to a uniform percentage of participant deferrals. Any participant who makes elective deferral contributions and is employed during the plan year will be eligible to receive an allocation of any employer matching contribution that is made. There was no discretionary matching contribution for the year ended December 31, 2021.

The Company may make a discretionary profit-sharing contribution to the Plan in an amount to be determined by the Company at plan year end. Participants must be employed as of the last day of the plan year to be eligible to receive any profit-sharing contribution that may be made for that plan year. There was no discretionary profit-sharing contribution for the year ended December 31, 2021.

If work performed by an employee for the Company is subject to prevailing wage laws, the Company will make contributions to the Plan to help satisfy the fringe benefit requirements of the law. There was no prevailing wage contributions for the year ended December 31, 2021.

**Participant Accounts**
Each participant's account is credited with the participant's salary reduction contribution, the participant's qualified rollover contribution, the participant's Roth contribution, the employer's discretionary matching contribution, the employer's prevailing wage contribution and allocations of (a) the employer's discretionary profit-sharing contribution, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined. The participant's account is reduced by withdrawals, losses on investments and any forfeitures.

Investment income is reinvested in the same fund in which it was earned. Net Plan earnings are allocated to each participant's account, on a daily basis, based upon the earnings (or losses) of the particular fund or funds in which the participant's account is invested.

**Vesting**
Participants are immediately vested in all contributions made to the Plan after July 1, 2015.

**Notes Receivable from Participants**
Participants may borrow from their vested interest in their fund accounts. The amount shall not exceed the lesser of $50,000 or 50% of the participant's vested interest. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from 1-5 years unless the loan is for the purchase of a primary residence, are limited to one outstanding loan per participant at a given time, and bear interest at 1% above the prime rate. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with current market interest rates. Principal and interest are paid ratably through bi-weekly payroll deductions. At December 31, 2021, the interest rates applied to all loans ranged from 3.25% to 6.50%.

Under the provisions of the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), which was passed in early 2020 as a result of the 2019 novel coronavirus ("COVID-19") pandemic, participants are provided with a 1-year delay for loan payments due in 2020, on or after March 27, preventing default until at least March 28, 2021, when repayments will begin on a new schedule.

**Distributions and Withdrawals**
Prior to age 59½, distributions and withdrawals are not permitted from the Plan except in the instances of hardship, death, disability, or termination of employment. Hardship withdrawals are not permitted from balances attributable to prevailing wage contributions and are not permitted unless the participant is employed with the Company at the time of hardship. After attaining age 59½, participants may elect to withdraw an amount equal to any whole percentage not to exceed 100% of the participant's vested account for any reason. On termination of service due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum payment or in annual installments not exceeding the life expectancy of the participant or the participant's beneficiary, if the participant has died. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

**Participants' Investment Options**
Upon enrollment in the Plan, a participant may direct employee and employer contributions in any increment in various investment options offered by the Plan. The Plan currently offers various mutual funds and a collective investment trust investment option.

Participants may change their investment options at any time.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### Use of Estimates

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

### Investments

Investments are reported at fair value. Mutual funds are valued at quoted prices in an active market, which represent the net asset value ("NAV") of shares held by the Plan at year end. The Plan's investment in the collective investment trust is based on the NAV of the trust's underlying investments as recorded in the audited financial statements of the trust at year-end. Purchases and sales of specific investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

### Notes Receivable From Participants

Notes receivable from participants are valued at their outstanding unpaid principal balances, plus accrued interest, which approximates fair value. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. Delinquent participant loans are recorded as distributions to participants.

### Excess Contributions Payable

Amounts payable to certain participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

### Payment of Benefits

Benefit payments to participants are recorded upon distribution.

### Administrative and Other Fees

All trustee and recordkeeping expenses related to the administration of the Plan are paid entirely by the Plan unless they are paid by the Company. In addition, participants are charged service fees for any loan and distribution transactions they request, and certain investment related expenses have been offset with net investment income and are not readily determinable.

### Risks and Uncertainties

The Plan provides participants with the option to invest in various investment securities. All investment securities are exposed to some type of risk, including, but not limited to, exposure to changes in interest rates, market fluctuations, economic conditions and currency devaluation. Due to the level of risk associated with certain investment securities, it is possible that changes in the near term could materially affect certain participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2021 may not necessarily be indicative of the amounts that could be realized in a current market exchange.

## 3. INVESTMENTS CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan has elected the method of annual compliance reporting permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Therefore, as permitted, no auditing procedures were performed by the independent public accountants. Reliance Trust Company "Reliance", the Custodian of the Plan, holds investment assets and executes investment transactions therein, and substantially all information pertaining to the Plan's investments and notes receivable from participants included in the financial statements, including the associated investment income (loss) and interest earned on notes receivable from participants, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee of the Plan. Based on information provided and certified by the trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2021 and 2020.

The following information as of December 31, 2021 and 2020 and for the year ended December 31, 2021 was prepared from reports certified by the trustee:

| | 2021 | 2020 |
|---|---|---|
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| | $ 4,227,887 | $ 3,669,180 |
| Notes receivable from participants | $ 62,249 | $ 89,792 |
| Net appreciation in fair value of investments | $ 328,444 | |
| Interest and dividend income | $ 67,154 | |
| Interest income, notes receivable from participants | $ 4,244 | |

## 4. FAIR VALUE OF INVESTMENTS

The Plan's investments are recorded in accordance with Financial Account Standards Board ("FASB") Accounting Standard Codification ("ASC") 820, *Fair Value Measurement*, which established a framework for measuring fair value and clarifies that fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The 3 levels of the fair value hierarchy are described below:

*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. Such inputs include quoted prices in active markets for identical assets or liabilities.

*Level 2* - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* - Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used for the periods presented in these financial statements.

*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 ("SEC"). 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.

*Collective Investment Trust*: Value of the collective investment trust represents contributions made under the contract, plus earnings, less Plan withdrawals and administrative expenses. Net asset value of the underlying funds is reported by the investment advisor using the audited financial statements of the collective trust at year-end.

The investment in the collective investment trust is valued utilizing the NAV as a practical expedient to estimate fair value. The use of NAV is deemed appropriate as the collective investment trust does not have a finite life, unfunded commitments relating to the types of investment or significant restrictions on redemptions. The practical expedient is used for valuation, unless it is probable that the Plan will sell a portion of the investment at an amount different from the NAV.

The following tables set forth, by level, within the fair value hierarchy, the Plan's assets, and fair value as of December 31:

| | 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,743,477 | $ - | $ - | $ 3,743,477 |
| Investments measured at NAV (a) | | | | 484,410 |
| Investments at fair value | | | | $ 4,227,887 |

| | 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,241,835 | $ - | $ - | $ 3,241,835 |
| Investments measured at NAV (a) | | | | 427,345 |
| Investments at fair value | | | | $ 3,669,180 |

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

**Investments Measured Using the NAV per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

| December 31, 2021 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 484,410 | N/A | Daily | None |

| December 31, 2020 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 427,345 | N/A | Daily | None |

## 5. PLAN TERMINATION

Although it has not expressed any intention 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 the IRC. In the event of Plan termination, participants will become 100% vested in their accounts.

## 6. PARTIES-IN-INTEREST

The Company provides the Plan with certain accounting and administrative services for which no fees are charged. The Plan allows for administrative costs to be paid by the Company or absorbed through the forfeiture account. Certain costs are paid by the Company directly.

Certain Plan investments are units of a collective investment trust fund managed by the custodian, and therefore, these transactions qualify as party-in-interest. Fees paid by the Plan to Transamerica Retirement Solutions, the recordkeeper, amounted to approximately $17,000 for the year ended December 31, 2021. Additionally, the Plan issues loans to participants, which are secured by the participants' account balances. These transactions qualify as exempt party-in-interest transactions.

The expense budget account is funded by a return of contract asset charges or the expense ratio. The Plan received a servicing credit of $16,852 during the year ended December 31, 2021. During the year ended December 31, 2021, $16,289 of the credit was used to pay various expenses of the Plan. At December 31, 2021 and 2020, the account had a balance of $4,249 and $3,686, respectively.

## 7. TAX STATUS

The Plan obtained its latest determination letter on March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan is required to operate in conformity with the applicable provisions of the IRC to maintain its tax-qualified status. The Plan has been amended since receiving the opinion letter. However, the Company believes the Plan is being operated in compliance with the applicable requirements of the IRC, and therefore, believes the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability, or asset, if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or the DOL. The Company has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, 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 examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress. Furthermore, there are no tax related interest or penalties included in the financial statements presented.

## 8. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of amounts per the financial statements to Schedule H of Form 5500 at December 31:

| | 2021 | 2020 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 4,281,916 | $ 3,817,354 |
| Expense budget account balance not recorded on Schedule H of Form 5500 | - | (3,686) |
| Net assets available for benefits per Schedule H of Form 5500 | $ 4,281,916 | $ 3,813,668 |

The following is a reconciliation of the net change in net assets available for benefits per the financial statements to Schedule H of Form 5500 for the year ended December 31, 2021:

| | |
|---|---|
| Net change in net assets available for benefits per the financial statements | $ 464,562 |
| Other income recorded on Schedule H of Form 5500 to conform with financial reporting | 3,686 |
| Net change in net assets available for benefits per Schedule H of Form 5500 | $ 468,248 |

## 9. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 17, 2022, the date the financial statements were available to be issued. Based on this evaluation, the Plan has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

Effective June 1, 2022, the Plan was amended and restated. Participants should refer to the amended and restated Plan document for a more complete description of the Plan's provisions.

# SUPPLEMENTARY INFORMATION

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)**
**EIN: 11-3272921, Plan #001**
**December 31, 2021**

| (a) | (b) Identity of Issuer, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Date | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Mutual Funds** | | | |
| | American Funds | American Mutual R6 | ** | $ 309,250 |
| | American Funds | Capital Income Bldr R6 | ** | 126 |
| | American Funds | Europacific Gr R6 | ** | 79,229 |
| | American Funds | New World R6 | ** | 66,288 |
| | Baron Capital Group, Inc. | Growth Instl | ** | 53,585 |
| | BlackRock | Multi-Asset Income Instl | ** | 1,361 |
| | BlackRock | Stategic Income Opps Instl | ** | 194,275 |
| | Dimensional Fund Advisors | US Targeted Value I | ** | 61,971 |
| | Franklin Templeton Investments | Western Asset Core Bond IS | ** | 936,640 |
| | Lord Abbett | Short Duration Income R3 | ** | 280,516 |
| | MFS | International Intrinsic Value R3 | ** | 104,091 |
| | MFS | Mid Cap Value R6 | ** | 47,726 |
| | PGIM Funds | Global Real Estate Z | ** | 43,259 |
| | Sprott | Gold Investor | ** | 755 |
| | T. Rowe Price | Blue Chip Growth | ** | 538,834 |
| | T. Rowe Price | New Era | ** | 1,111 |
| | T. Rowe Price | Overseas Stock I | ** | 99,755 |
| | T. Rowe Price | QM US Small-Cap Gr Eq | ** | 64,392 |
| | Vanguard | 500 Index Admiral | ** | 242,572 |
| | Vanguard | Dividend Growth inv | ** | 250,954 |
| | Vanguard | Equity-Income Adm | ** | 271,195 |
| | Vanguard | Mid Cap Index Admiral | ** | 26,167 |
| | Vanguard | Small Cap Index Adm | ** | 69,425 |
| | Total mutual funds | | | 3,743,477 |
| | **Collective investment trust fund** | | | |
| | Reliance Trust Company | Reliance Metlife Series 25053 Cl O | ** | 484,410 |
| | Total investments | | | 4,227,887 |
| * | **Notes Receivable From Participants** | 3.25% - 6.50% through 2026 | $-0- | 62,249 |
| | Total assets held for investment purposes at end of year | | | $ 4,290,136 |

* Denotes a party-in-interest.
** Cost omitted for participant directed investments.

See Independent Auditor's Report.

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions**
**EIN: 11-3272921, Plan #001**
**Year Ended December 31, 2021**

| Plan Year | Participant Contributions Transferred Late to Plan | Total that Constitute Non-Exempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|---|
| | Check Here if Late Participant Loan Repayments are Included: | Contributions Not Corrected | Contributions Corrected Outside VFCP* | Contributions Pending Correction in VFCP | |
| 2021 | $ 5,041 | $ 5,041 | $ - | $ - | $ - |
| 2020 | $ 215 | $ 215 | $ - | $ - | $ - |

See Independent Auditor's Report.

**NEPTUNE MECHANICAL, INC. RETIREMENT PLAN**
**Financial Statements**
**December 31, 2021 and 2020**
**With Independent Auditor's Report**

withum
ADVISORY TAX AUDIT

**Neptune Mechanical, Inc. Retirement Plan**
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**December 31, 2021 and 2020**


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# INDEPENDENT AUDITOR'S REPORT

To the Company,
Neptune Mechanical, Inc. Retirement Plan:

## Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the financial statements of Neptune Mechanical, Inc. Retirement Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Neptune Mechanical, Inc. Retirement Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

## Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Neptune Mechanical, Inc. Retirement Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Neptune Mechanical, Inc. Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Neptune Mechanical, Inc. Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

## Other Matter

### *2021 Supplemental Schedules Required by ERISA*

The supplemental schedule H, part IV, line 4i - schedule of assets (held at end of year) as of December 31, 2021 and schedule H, part IV, line 4a - schedule of delinquent participant contributions for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Wilkum Smith + Brown, PC

October 17, 2022

## Neptune Mechanical, Inc. Retirement Plan
## Statements of Net Assets Available for Benefits
## December 31, 2021 and 2020

| | 2021 | 2020 |
|---|---|---|
| **Assets** | | |
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| Total investments, at fair value | 4,227,887 | 3,669,180 |
| Receivables | | |
| Participants' contributions receivable | 5,256 | 215 |
| Employer contributions receivable | 92 | 58,167 |
| Notes receivable from participants | 62,249 | 89,792 |
| Total receivables | 67,597 | 148,174 |
| **Liabilities** | | |
| Excess contributions payable | 13,568 | - |
| Net assets available for benefits | $ 4,281,916 | $ 3,817,354 |

The Notes to Financial Statements are an integral part of these statements.

## Neptune Mechanical, Inc. Retirement Plan
## Statement of Changes in Net Assets Available for Benefits
## Year Ended December 31, 2021

| | |
|---|---|
| **Additions** | |
| Additions to net assets attributed to investment income | |
| Net appreciation in fair value of investments | $ 328,444 |
| Interest and dividend income | 67,154 |
| | 395,598 |
| Interest income, notes receivable from participants | 4,244 |
| Contributions | |
| Participants' | 108,996 |
| Total additions | 508,838 |
| **Deductions** | |
| Deductions from net assets attributed to | |
| Benefits paid to participants | 10,565 |
| Administrative and other fees | 33,711 |
| Total deductions | 44,276 |
| **Net change in net assets available for benefits** | 464,562 |
| **Net assets available for benefits** | |
| Beginning of year | 3,817,354 |
| End of year | $ 4,281,916 |

The Notes to Financial Statements are an integral part of this statement.

## 1. DESCRIPTION OF THE PLAN

The following description of the Neptune Mechanical, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

### Plan Sponsor

The Plan Sponsor, Neptune Mechanical, Inc., is a member of a controlled group which includes the following companies (collectively the "Company"):

- Neptune Mechanical, Inc.
- Neptune Mechanical, LLC
- GMI Realty LLC

### General

The Plan qualifies under Section 401(k) of the Internal Revenue Code ("IRC") and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The Plan was established for the purpose of providing eligible employees of the Company and their beneficiaries, funds for retirement.

### Eligibility

Employees of the Company, who are full-time and not covered under a collective bargaining agreement, are eligible to contribute to the Plan upon completing 1 year of service. The entry date into the Plan is the first day of the plan year quarter coinciding with or following the date the employee satisfies the eligibility requirements.

### Employee Contributions

A participating employee may contribute a percentage of eligible compensation, not to exceed the annual limits established by the IRC, as amended. Under the Plan, participants may make tax deferred contributions, qualified rollover contributions and Roth elective contributions. The maximum pre-tax participant contribution allowed during 2021 was $19,500. The Plan allows employees who are contributing to the Plan who have attained age 50 to make catch-up contributions.

### Employer Contributions

The Company may make a discretionary matching contribution to the Plan in an amount determined by the Company each plan year equal to a uniform percentage of participant deferrals. Any participant who makes elective deferral contributions and is employed during the plan year will be eligible to receive an allocation of any employer matching contribution that is made. There was no discretionary matching contribution for the year ended December 31, 2021.

The Company may make a discretionary profit-sharing contribution to the Plan in an amount to be determined by the Company at plan year end. Participants must be employed as of the last day of the plan year to be eligible to receive any profit-sharing contribution that may be made for that plan year. There was no discretionary profit-sharing contribution for the year ended December 31, 2021.

If work performed by an employee for the Company is subject to prevailing wage laws, the Company will make contributions to the Plan to help satisfy the fringe benefit requirements of the law. There was no prevailing wage contributions for the year ended December 31, 2021.

**Participant Accounts**
Each participant's account is credited with the participant's salary reduction contribution, the participant's qualified rollover contribution, the participant's Roth contribution, the employer's discretionary matching contribution, the employer's prevailing wage contribution and allocations of (a) the employer's discretionary profit-sharing contribution, (b) Plan earnings and (c) administrative expenses. Allocations are based on participant earnings or account balances, as defined. The participant's account is reduced by withdrawals, losses on investments and any forfeitures.

Investment income is reinvested in the same fund in which it was earned. Net Plan earnings are allocated to each participant's account, on a daily basis, based upon the earnings (or losses) of the particular fund or funds in which the participant's account is invested.

**Vesting**
Participants are immediately vested in all contributions made to the Plan after July 1, 2015.

**Notes Receivable from Participants**
Participants may borrow from their vested interest in their fund accounts. The amount shall not exceed the lesser of $50,000 or 50% of the participant's vested interest. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loan terms range from 1-5 years unless the loan is for the purchase of a primary residence, are limited to one outstanding loan per participant at a given time, and bear interest at 1% above the prime rate. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with current market interest rates. Principal and interest are paid ratably through bi-weekly payroll deductions. At December 31, 2021, the interest rates applied to all loans ranged from 3.25% to 6.50%.

Under the provisions of the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), which was passed in early 2020 as a result of the 2019 novel coronavirus ("COVID-19") pandemic, participants are provided with a 1-year delay for loan payments due in 2020, on or after March 27, preventing default until at least March 28, 2021, when repayments will begin on a new schedule.

**Distributions and Withdrawals**
Prior to age 59½, distributions and withdrawals are not permitted from the Plan except in the instances of hardship, death, disability, or termination of employment. Hardship withdrawals are not permitted from balances attributable to prevailing wage contributions and are not permitted unless the participant is employed with the Company at the time of hardship. After attaining age 59½, participants may elect to withdraw an amount equal to any whole percentage not to exceed 100% of the participant's vested account for any reason. On termination of service due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum payment or in annual installments not exceeding the life expectancy of the participant or the participant's beneficiary, if the participant has died. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump sum distribution.

**Participants' Investment Options**
Upon enrollment in the Plan, a participant may direct employee and employer contributions in any increment in various investment options offered by the Plan. The Plan currently offers various mutual funds and a collective investment trust investment option.

Participants may change their investment options at any time.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### Use of Estimates

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

### Investments

Investments are reported at fair value. Mutual funds are valued at quoted prices in an active market, which represent the net asset value ("NAV") of shares held by the Plan at year end. The Plan's investment in the collective investment trust is based on the NAV of the trust's underlying investments as recorded in the audited financial statements of the trust at year-end. Purchases and sales of specific investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

### Notes Receivable From Participants

Notes receivable from participants are valued at their outstanding unpaid principal balances, plus accrued interest, which approximates fair value. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. Delinquent participant loans are recorded as distributions to participants.

### Excess Contributions Payable

Amounts payable to certain participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

### Payment of Benefits

Benefit payments to participants are recorded upon distribution.

### Administrative and Other Fees

All trustee and recordkeeping expenses related to the administration of the Plan are paid entirely by the Plan unless they are paid by the Company. In addition, participants are charged service fees for any loan and distribution transactions they request, and certain investment related expenses have been offset with net investment income and are not readily determinable.

### Risks and Uncertainties

The Plan provides participants with the option to invest in various investment securities. All investment securities are exposed to some type of risk, including, but not limited to, exposure to changes in interest rates, market fluctuations, economic conditions and currency devaluation. Due to the level of risk associated with certain investment securities, it is possible that changes in the near term could materially affect certain participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Plan's investments. Accordingly, the valuation of investments at December 31, 2021 may not necessarily be indicative of the amounts that could be realized in a current market exchange.

## 3. INVESTMENTS CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan has elected the method of annual compliance reporting permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Therefore, as permitted, no auditing procedures were performed by the independent public accountants. Reliance Trust Company "Reliance", the Custodian of the Plan, holds investment assets and executes investment transactions therein, and substantially all information pertaining to the Plan's investments and notes receivable from participants included in the financial statements, including the associated investment income (loss) and interest earned on notes receivable from participants, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee of the Plan. Based on information provided and certified by the trustee, there are no fixed income obligations, leases or debt instruments in default or deemed uncollectible, as defined by ERISA, for the years ended December 31, 2021 and 2020.

The following information as of December 31, 2021 and 2020 and for the year ended December 31, 2021 was prepared from reports certified by the trustee:

| | 2021 | 2020 |
|---|---|---|
| Investments, at fair value | | |
| Mutual funds | $ 3,743,477 | $ 3,241,835 |
| Collective investment trust fund | 484,410 | 427,345 |
| | $ 4,227,887 | $ 3,669,180 |
| Notes receivable from participants | $ 62,249 | $ 89,792 |
| Net appreciation in fair value of investments | $ 328,444 | |
| Interest and dividend income | $ 67,154 | |
| Interest income, notes receivable from participants | $ 4,244 | |

## 4. FAIR VALUE OF INVESTMENTS

The Plan's investments are recorded in accordance with Financial Account Standards Board ("FASB") Accounting Standard Codification ("ASC") 820, *Fair Value Measurement*, which established a framework for measuring fair value and clarifies that fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The 3 levels of the fair value hierarchy are described below:

*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. Such inputs include quoted prices in active markets for identical assets or liabilities.

*Level 2* - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* - Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used for the periods presented in these financial statements.

*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 ("SEC"). 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.

*Collective Investment Trust*: Value of the collective investment trust represents contributions made under the contract, plus earnings, less Plan withdrawals and administrative expenses. Net asset value of the underlying funds is reported by the investment advisor using the audited financial statements of the collective trust at year-end.

The investment in the collective investment trust is valued utilizing the NAV as a practical expedient to estimate fair value. The use of NAV is deemed appropriate as the collective investment trust does not have a finite life, unfunded commitments relating to the types of investment or significant restrictions on redemptions. The practical expedient is used for valuation, unless it is probable that the Plan will sell a portion of the investment at an amount different from the NAV.

The following tables set forth, by level, within the fair value hierarchy, the Plan's assets, and fair value as of December 31:

| | 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,743,477 | $ - | $ - | $ 3,743,477 |
| Investments measured at NAV (a) | | | | 484,410 |
| Investments at fair value | | | | $ 4,227,887 |

| | 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Mutual funds | $ 3,241,835 | $ - | $ - | $ 3,241,835 |
| Investments measured at NAV (a) | | | | 427,345 |
| Investments at fair value | | | | $ 3,669,180 |

(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

**Investments Measured Using the NAV per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

| December 31, 2021 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 484,410 | N/A | Daily | None |

| December 31, 2020 | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Collective investment trust fund | $ 427,345 | N/A | Daily | None |

## 5. PLAN TERMINATION

Although it has not expressed any intention 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 the IRC. In the event of Plan termination, participants will become 100% vested in their accounts.

## 6. PARTIES-IN-INTEREST

The Company provides the Plan with certain accounting and administrative services for which no fees are charged. The Plan allows for administrative costs to be paid by the Company or absorbed through the forfeiture account. Certain costs are paid by the Company directly.

Certain Plan investments are units of a collective investment trust fund managed by the custodian, and therefore, these transactions qualify as party-in-interest. Fees paid by the Plan to Transamerica Retirement Solutions, the recordkeeper, amounted to approximately $17,000 for the year ended December 31, 2021. Additionally, the Plan issues loans to participants, which are secured by the participants' account balances. These transactions qualify as exempt party-in-interest transactions.

The expense budget account is funded by a return of contract asset charges or the expense ratio. The Plan received a servicing credit of $16,852 during the year ended December 31, 2021. During the year ended December 31, 2021, $16,289 of the credit was used to pay various expenses of the Plan. At December 31, 2021 and 2020, the account had a balance of $4,249 and $3,686, respectively.

## 7. TAX STATUS

The Plan obtained its latest determination letter on March 31, 2014, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan is required to operate in conformity with the applicable provisions of the IRC to maintain its tax-qualified status. The Plan has been amended since receiving the opinion letter. However, the Company believes the Plan is being operated in compliance with the applicable requirements of the IRC, and therefore, believes the Plan is qualified and the related trust is tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability, or asset, if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or the DOL. The Company has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, 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 examinations by taxing jurisdictions; however, there are currently no examinations for any tax periods in progress. Furthermore, there are no tax related interest or penalties included in the financial statements presented.

## 8. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of amounts per the financial statements to Schedule H of Form 5500 at December 31:

| | 2021 | 2020 |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 4,281,916 | $ 3,817,354 |
| Expense budget account balance not recorded on Schedule H of Form 5500 | - | (3,686) |
| Net assets available for benefits per Schedule H of Form 5500 | $ 4,281,916 | $ 3,813,668 |

The following is a reconciliation of the net change in net assets available for benefits per the financial statements to Schedule H of Form 5500 for the year ended December 31, 2021:

| | |
|---|---|
| Net change in net assets available for benefits per the financial statements | $ 464,562 |
| Other income recorded on Schedule H of Form 5500 to conform with financial reporting | 3,686 |
| Net change in net assets available for benefits per Schedule H of Form 5500 | $ 468,248 |

## 9. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 17, 2022, the date the financial statements were available to be issued. Based on this evaluation, the Plan has determined that no subsequent events have occurred which require adjustment to or disclosure in the financial statements.

Effective June 1, 2022, the Plan was amended and restated. Participants should refer to the amended and restated Plan document for a more complete description of the Plan's provisions.

# SUPPLEMENTARY INFORMATION

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)**
**EIN: 11-3272921, Plan #001**
**December 31, 2021**

| (a) | (b) Identity of Issuer, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Date | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **Mutual Funds** | | | |
| | American Funds | American Mutual R6 | ** | $ 309,250 |
| | American Funds | Capital Income Bldr R6 | ** | 126 |
| | American Funds | Europacific Gr R6 | ** | 79,229 |
| | American Funds | New World R6 | ** | 66,288 |
| | Baron Capital Group, Inc. | Growth Instl | ** | 53,585 |
| | BlackRock | Multi-Asset Income Instl | ** | 1,361 |
| | BlackRock | Stategic Income Opps Instl | ** | 194,275 |
| | Dimensional Fund Advisors | US Targeted Value I | ** | 61,971 |
| | Franklin Templeton Investments | Western Asset Core Bond IS | ** | 936,640 |
| | Lord Abbett | Short Duration Income R3 | ** | 280,516 |
| | MFS | International Intrinsic Value R3 | ** | 104,091 |
| | MFS | Mid Cap Value R6 | ** | 47,726 |
| | PGIM Funds | Global Real Estate Z | ** | 43,259 |
| | Sprott | Gold Investor | ** | 755 |
| | T. Rowe Price | Blue Chip Growth | ** | 538,834 |
| | T. Rowe Price | New Era | ** | 1,111 |
| | T. Rowe Price | Overseas Stock I | ** | 99,755 |
| | T. Rowe Price | QM US Small-Cap Gr Eq | ** | 64,392 |
| | Vanguard | 500 Index Admiral | ** | 242,572 |
| | Vanguard | Dividend Growth inv | ** | 250,954 |
| | Vanguard | Equity-Income Adm | ** | 271,195 |
| | Vanguard | Mid Cap Index Admiral | ** | 26,167 |
| | Vanguard | Small Cap Index Adm | ** | 69,425 |
| | Total mutual funds | | | 3,743,477 |
| | **Collective investment trust fund** | | | |
| | Reliance Trust Company | Reliance Metlife Series 25053 Cl O | ** | 484,410 |
| | Total investments | | | 4,227,887 |
| * | **Notes Receivable From Participants** | 3.25% - 6.50% through 2026 | $-0- | 62,249 |
| | Total assets held for investment purposes at end of year | | | $ 4,290,136 |

* Denotes a party-in-interest.
** Cost omitted for participant directed investments.

See Independent Auditor's Report.

**Neptune Mechanical, Inc. Retirement Plan**
**Schedule H, Part IV, Line 4a - Schedule of Delinquent Participant Contributions**
**EIN: 11-3272921, Plan #001**
**Year Ended December 31, 2021**

| Plan Year | Participant Contributions Transferred Late to Plan | Total that Constitute Non-Exempt Prohibited Transactions | | | Total Fully Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|---|
| | Check Here if Late Participant Loan Repayments are Included: | Contributions Not Corrected | Contributions Corrected Outside VFCP* | Contributions Pending Correction in VFCP | |
| 2021 | $ 5,041 | $ 5,041 | $ - | $ - | $ - |
| 2020 | $ 215 | $ 215 | $ - | $ - | $ - |

See Independent Auditor's Report.

# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

**2021**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

**B** This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☐ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

**D** Check box if filing under:
- ☐ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

**E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ ☐

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

**1a** Name of plan
Neptune Mechanical, Inc. Retirement Plan

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

**1c** Effective date of plan 01/01/2005

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
Neptune Mechanical, Inc.

29 - 10 120th Street

Flushing NY 11345

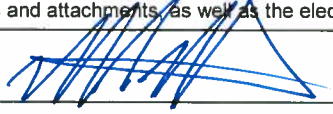
**2b** Employer Identification Number (EIN) 11-3272921

**2c** Plan Sponsor's telephone number (718) 886-5059

**2d** Business code (see instructions) 236200

**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** |  | 10/17/22 | Nicholas Notias |
| | **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 |