

Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

- A** This return/report is for: a single-employer plan a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- 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** Check box if filing under: Form 5558 automatic extension DFVC program
 special extension (enter description)
- D** 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 PETERSON, JOHNSON, & MURRAY, S.C. RETIREMENT PLAN | | 1b Three-digit plan number (PN) ▶ | 001 |
| | | 1c Effective date of plan | 02/01/1984 |
| 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) TRUSTEES OF PETERSON, JOHNSON & MURRAY 411 E WISCONSIN AVE STE 1000 MILWAUKEE, WI 53202-4409 | | 2b Employer Identification Number (EIN) | 39-1456240 |
| | | 2c Sponsor's telephone number | 414-278-8800 |
| | | 2d Business code (see instructions) | 541110 |
| 3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor. | | 3b Administrator's EIN | |
| | | 3c Administrator's telephone number | |
| 4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name | | 4b EIN | |
| | | 4d PN | |
| 5a Total number of participants at the beginning of the plan year..... | | 5a | 40 |
| b Total number of participants at the end of the plan year | | 5b | 40 |
| c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | | 5c | |
| d(1) Total number of active participants at the beginning of the plan year | | 5d(1) | 0 |
| d(2) Total number of active participants at the end of the plan year..... | | 5d(2) | 0 |
| e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested..... | | 5e | 0 |

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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. | 10/10/2023 | TERRY JOHNSON |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE | Filed with authorized/valid electronic signature. | 10/10/2023 | TERRY JOHNSON |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |

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

Form 5500-SF (2022)
v.220413

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) Yes No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) Yes No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year: 490522. (See instructions.)

Part III Financial Information

| 7 Plan Assets and Liabilities | | (a) Beginning of Year | (b) End of Year |
|---|--------------|------------------------------|------------------------|
| a Total plan assets..... | 7a | 9202596 | 8547796 |
| b Total plan liabilities..... | 7b | 0 | 0 |
| c Net plan assets (subtract line 7b from line 7a)..... | 7c | 9202596 | 8547796 |
| 8 Income, Expenses, and Transfers for this Plan Year | | (a) Amount | (b) Total |
| a Contributions received or receivable from: | | | |
| (1) Employers..... | 8a(1) | 201967 | |
| (2) Participants..... | 8a(2) | | |
| (3) Others (including rollovers)..... | 8a(3) | 0 | |
| b Other income (loss)..... | 8b | 57489 | |
| c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)..... | 8c | | 259456 |
| d Benefits paid (including direct rollovers and insurance premiums to provide benefits)..... | 8d | 856421 | |
| e Certain deemed and/or corrective distributions (see instructions)..... | 8e | 0 | |
| f Administrative service providers (salaries, fees, commissions)..... | 8f | 57835 | |
| g Other expenses..... | 8g | 0 | |
| h Total expenses (add lines 8d, 8e, 8f, and 8g)..... | 8h | | 914256 |
| i Net income (loss) (subtract line 8h from line 8c)..... | 8i | | -654800 |
| j Transfers to (from) the plan (see instructions)..... | 8j | 0 | |

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1I
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

| 10 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? (See instructions and DOL's Voluntary Fiduciary Correction Program)..... | 10a | | X | |
| b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)..... | 10b | | X | 0 |
| c Was the plan covered by a fidelity bond?..... | 10c | X | | 500000 |
| d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?..... | 10d | | X | |
| e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)..... | 10e | | X | |
| f Has the plan failed to provide any benefit when due under the plan?..... | 10f | | X | |
| g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)..... | 10g | | X | |
| h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)..... | 10h | | | |
| i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3..... | 10i | | | |

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below. Yes No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40..... **11a** 38713

b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 THE PLAN SPONSOR HAS NOT YET FILED NOTICE, BUT INTENDS TO DO SO.

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? Yes No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a 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 letter ruling granting the waiver.Month Day Year

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline?..... Yes No N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? Yes No

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?..... Yes No

c 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.)

| 13c(1) Name of plan(s): | 13c(2) EIN(s) | 13c(3) PN(s) |
|--------------------------------|----------------------|---------------------|
| | | |

| | | |
|---|--|--|
| SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF. | <small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection |
|---|--|--|

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

▶ **Round off amounts to nearest dollar.**
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

| | | |
|---|--|------------|
| A Name of plan <u>PETERSON, JOHNSON, & MURRAY, S.C. RETIREMENT PLAN</u> | B Three-digit plan number (PN) ▶ | <u>001</u> |
| C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>TRUSTEES OF PETERSON, JOHNSON & MURRAY</u> | D Employer Identification Number (EIN) <u>39-1456240</u> | |

E Type of plan: Single Multiple-A Multiple-B **F** Prior year plan size: 100 or fewer 101-500 More than 500

| | | | |
|--|----------------------------|---------------------------|--------------------------|
| Part I Basic Information | | | |
| 1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2022</u> | | | |
| 2 Assets: | | | |
| a Market value..... | 2a | <u>9202596</u> | |
| b Actuarial value | 2b | <u>9422659</u> | |
| 3 Funding target/participant count breakdown | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
| a For retired participants and beneficiaries receiving payment | <u>17</u> | <u>7458996</u> | <u>7458996</u> |
| b For terminated vested participants..... | <u>25</u> | <u>5325911</u> | <u>5325911</u> |
| c For active participants..... | <u>0</u> | <u>0</u> | <u>0</u> |
| d Total | <u>42</u> | <u>12784907</u> | <u>12784907</u> |
| 4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/> | | | |
| a Funding target disregarding prescribed at-risk assumptions..... | 4a | | |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... | 4b | | |
| 5 Effective interest rate..... | 5 | <u>5.40 %</u> | |
| 6 Target normal cost | | | |
| a Present value of current plan year accruals..... | 6a | <u>0</u> | |
| b Expected plan-related expenses | 6b | <u>79000</u> | |
| c Total (line 6a + line 6b) | 6c | <u>79000</u> | |

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

| | | |
|------------------|---|---|
| SIGN HERE | | |
| | Signature of actuary | <u>09/21/2023</u> Date |
| | <u>JOHN M. WEBER</u> Type or print name of actuary | <u>23-07258</u> Most recent enrollment number |
| | <u>PRINCIPAL FINANCIAL GROUP</u> Firm name | <u>515-248-3080</u> Telephone number (including area code) |
| | <u>PO BOX 9394</u> <u>DES MOINES, IA 50306-9394</u> Address of the firm | |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

| Part II Beginning of Year Carryover and Prefunding Balances | | (a) Carryover balance | (b) Prefunding balance |
|--|---|-----------------------|------------------------|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year)..... | 0 | 506649 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 297628 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 209021 |
| 10 | Interest on line 9 using prior year's actual return of <u>0.23</u> % | 0 | 481 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year)..... | | 0 |
| | b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.62</u> %..... | | 0 |
| | b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| | c Total available at beginning of current plan year to add to prefunding balance..... | | 0 |
| | d Portion of (c) to be added to prefunding balance..... | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections..... | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)..... | 0 | 209502 |

| Part III Funding Percentages | | | |
|-------------------------------------|---|-----------|---------|
| 14 | Funding target attainment percentage | 14 | 72.06 % |
| 15 | Adjusted funding target attainment percentage | 15 | 72.06 % |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement..... | 16 | 81.63 % |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. | 17 | % |

| Part IV Contributions and Liquidity Shortfalls | | 18 Contributions made to the plan for the plan year by employer(s) and employees: | | | | | |
|---|--------------------------------|--|-----------------------|--------------------------------|------------------------------|--------------|--|
| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | | |
| 10/11/2022 | 15158 | 0 | | | | | |
| 01/10/2023 | 76809 | 0 | | | | | |
| 04/08/2023 | 110000 | 0 | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | Totals ▶ | 18(b) | 201967 | 18(c) | |

| | | |
|-----------|--|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years..... | 19a 0 |
| | b Contributions made to avoid restrictions adjusted to valuation date. | 19b 0 |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date. | 19c 190249 |
| 20 | Quarterly contributions and liquidity shortfalls: | |
| | a Did the plan have a "funding shortfall" for the prior year? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| | c If line 20a is "Yes," see instructions and complete the following table as applicable: | |

| Liquidity shortfall as of end of quarter of this plan year | | | |
|--|---------|---------|---------|
| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
| | | | |

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

| | | | | |
|-------------------------|------------------------|------------------------|------------------------|---|
| a Segment rates: | 1st segment: 4.75 % | 2nd segment: 5.18 % | 3rd segment: 5.92 % | <input type="checkbox"/> N/A, full yield curve used |
|-------------------------|------------------------|------------------------|------------------------|---|

b Applicable month (enter code)..... **21b** 4

22 Weighted average retirement age **22**

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

| | | |
|---|-----------|---|
| 28 Unpaid minimum required contributions for all prior years..... | 28 | 0 |
| 29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | 29 | 0 |
| 30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)..... | 30 | 0 |

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

| | | |
|--|------------|-------|
| a Target normal cost (line 6c)..... | 31a | 79000 |
| b Excess assets, if applicable, but not greater than line 31a | 31b | 0 |

| | | |
|---|---------------------|-------------|
| 32 Amortization installments: | Outstanding Balance | Installment |
| a Net shortfall amortization installment | 3571750 | 359464 |
| b Waiver amortization installment..... | 0 | 0 |

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount..... **33**

| | | |
|--|-----------|--------|
| 34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... | 34 | 438464 |
|--|-----------|--------|

| | | | |
|---|-------------------|--------------------|---------------|
| | Carryover balance | Prefunding balance | Total balance |
| 35 Balances elected for use to offset funding requirement..... | 0 | 209502 | 209502 |

36 Additional cash requirement (line 34 minus line 35)..... **36** 228962

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 190249

38 Present value of excess contributions for current year (see instructions)

| | | |
|---|------------|---|
| a Total (excess, if any, of line 37 over line 36) | 38a | 0 |
| b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | 38b | 0 |

| | | |
|--|-----------|-------|
| 39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... | 39 | 38713 |
| 40 Unpaid minimum required contributions for all years..... | 40 | 38713 |

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

Assumptions prescribed by law

| | |
|------------------|--|
| Mortality | <u>During benefit payment period</u> IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female. |
| | <u>Before benefit payment period</u> IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female. |

Assumptions selected by actuary

| | |
|-------------------------|---|
| Inflation | 2.40% increase per year. Our long-term inflation assumption considered the current economic environment, recent and historical data, and forecasts from Federal Reserve Bank FOMC, Congressional Budget Office, and Survey of Professional Forecasters. See Long-Term Capital Market Assumptions link. |
| Asset return | 3.00% for the current plan year. The asset return is developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The calculated return is on an arithmetic mean basis. For details, see the Long-Term Capital Market Assumptions link. |
| Expected expense | The expected expense included in target normal cost is an estimate based on prior year expenses paid from plan assets, update for the estimated current year PBGC premium. This is the best estimate available of upcoming year's expenses. |
| Retirement | Active and inactive participants are assumed to retire at normal retirement age as defined in <u>Plan provisions</u> . This assumption is based on the results of recent experience analysis and anticipated future experience. |
| Disability | None. No active participants remain. Due to the size of the plan and limited experience we are not recognizing a disability assumption prior to retirement. |
| Marriage | 75% married; husbands are 3 years older than wives. This assumption does not have material impact on the results of this report and has been selected based on our best estimate of active workforce. |
| Withdrawal | None. No active participants remain. |

Form of benefit and basis Participants will elect the following benefits at the assumed retirement ages. Lump sums will be based on the applicable mortality and the plan's funding target interest rates, as prescribed. The remaining participants will elect a monthly annuity on the normal form at the assumed retirement age.

| | % Electing Lump Sum | Immediate or Deferred |
|------------------------------------|---------------------|-----------------------|
| Active retirement | 50% | Immediate |
| Current deferred vested retirement | 50% | Deferred to NRA |
| Future terminated vested | n/a | n/a |
| Future disabilities | n/a | n/a |
| Future deaths (Active & inactive) | 100% | Immediate |

This assumption is based on the results of recent experience analysis and anticipated future experience.

Methods prescribed by law

Liability measure Funding target is the present value of the benefits accrued on the valuation date.

Target normal cost is based on benefits expected to accrue during the current plan year and includes an estimate of plan expenses for the year.

Lump sum payments Lump sum payments are valued using the plan's funding target interest rates as required, per IRS guidance. These rates are currently higher than the actual rates used to determine lump sum distributions. Therefore, plan liabilities do not currently recognize this additional cost and this may result in the plan not accumulating adequate assets. You may wish to consider additional contributions.

HCE benefit payment restrictions A ratio of the plan assets and accrued liability is used to determine if restrictions apply. Assets and accrued liability are as of the valuation date and are reduced by:

- any retiree benefit index or floor
- amounts for HCEs who were previously restricted
- an amount for the retiring HCE

The estimated HCE ratio illustrated in this report is based on the market value of plan assets (excluding late deposits) and funding target as of the valuation date. The funding target uses the non-stabilized interest rates as defined in IRC §430(h)(2)(C)(iv). Other assumptions or methods could be used.

Methods selected by plan sponsor

Asset method The asset valuation method is prescribed by law for plans that elect to use a value other than market value.

For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years.

The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the maximum allowable rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value.

When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.

Segment rates 24-month average with no weighting to prior law basis. Use rates where August is the last month included in the average.

PBGC premium basis Your plan is a small plan as defined by PBGC. Variable rate premiums are calculated using census, market value of assets and interest rates in effect on the current valuation date. Interest rates are the one-month average of corporate bond rates. You elected this Standard interest rate method for the 01/01/2014 plan year and the method must be used for five years before a change can be made.

| Segment 1 | Segment 2 | Segment 3 |
|-----------|------------|-----------|
| years 0-5 | years 5-20 | years 20+ |
| 1.16% | 2.72% | 3.10% |

Methods elected by actuary

Retirees Assets and liabilities for current and future retirees are included.

Vested benefits A benefit is included in vested benefits if it meets the requirements under PBGC. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date.

The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, pre-retirement death benefits in excess of the survivor annuity death benefit and post retirement death benefits for non-retired participants except as noted in the Plan provisions.

Assumptions and methods elected by actuary - plan accounting (ASC 960)

With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular funding target and target normal cost.

Mortality

Based on Pri-2012 Total dataset base rate mortality table projected generationally using the using the Principal Mortality Improvement Scale (Principal 2017-10).

Base rates

Before benefit payment period

Employee amount-weighted, male and female

During benefit payment period

Retiree amount-weighted, male and female

The Society of Actuaries (SOA) is an actuarial organization that periodically reviews mortality data and publishes mortality tables and improvement scales. In October 2019, the SOA released the Pri-2012 Mortality Tables for private-sector retirement plans in the U.S. The Pri-2012 report contains different sets of mortality tables based on complete dataset or various subsets. The Total dataset base rate table was selected based on information provided by the plan sponsor.

Pri-2012 section 12.4. provided three approaches for designated beneficiaries in the calculation of joint-and-survivor annuities. We believe "Approach 1" is reasonable for this plan.

Mortality improvement (MI)

Principal 2017-10 MI scale: this scale is based on MP-2021 study and model issued by SOA with the exception of the following user-selected assumptions:

- 10-year convergence period on age and cohort
- Long-term rates (LTR) assumptions using sex-distinct and age-based rates developed from Social Security Trustees Reports.

See Mortality Documentation for rationale and additional information.

Interest rate used to value liabilities 3.00%

The interest rate used to value ASC 960 liabilities is developed as long-term expected geometric return on plan assets. Arithmetic expected return is calculated as the weighted average of broad asset classes' arithmetic returns of the plan's target asset allocation, and then converted to the geometric under lognormal distribution assumption. For details, see Long-Term Capital Market Assumptions link.

Treatment of administrative expenses No adjustments are made for administrative expenses, either through a reduction in the discount rate or by calculating a present value of future expenses.

Plan sponsors may change their administrative expense handling at any time. Our approach provides consistent handling of ASC 960 liabilities from year to year, whether expenses are paid with plan assets or directly by the employer.

Note - expenses paid with plan assets are required to be included in funding normal cost. As a result, the plan is reimbursed annually through required funding. Exception – contributions are not required due to assets sufficiently in excess of liabilities to fund both expenses and normal cost. In this case, administrative expenses are taken from the excess assets.

Basis for lump sums

Interest rate

Based on the three segment yield curve: 3.05%/3.45%/4.35%

The plan document defines the lump sum interest rate based on IRC §417(e) rates which closely tie to the high quality corporate bond yields. According to our most recent study, the long-term expected yields for short/intermediate/long corporate bonds are 3.05%/3.45%/4.35%. For details, see Corporate AA yield in Figure 2 of Long-Term Capital Market Assumptions link.

Mortality

We have selected the same mortality assumption for lump sum payments, but with a 50/50 blend of male and female total dataset base rates and mortality improvement scales. This reflects the IRS practice of defining lump sum mortality on a unisex basis.

| | | |
|---|--|--|
| SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF. | <small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection |
|---|--|--|

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

▶ **Round off amounts to nearest dollar.**


▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

| | | |
|---|---|------------|
| A Name of plan <u>PETERSON, JOHNSON, & MURRAY, S.C. RETIREMENT PLAN</u> | B Three-digit plan number (PN) ▶ | <u>001</u> |
| C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>TRUSTEES OF PETERSON, JOHNSON & MURRAY</u> | D Employer Identification Number (EIN) <u>39-1456240</u> | |
| E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500 | |

| | | | |
|---|----------------------------|---------------------------|--------------------------|
| Part I Basic Information | | | |
| 1 Enter the valuation date: | Month <u>01</u> | Day <u>01</u> | Year <u>2022</u> |
| 2 Assets: | | | |
| a Market value | 2a | <u>9202596</u> | |
| b Actuarial value | 2b | <u>9422659</u> | |
| 3 Funding target/participant count breakdown | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
| a For retired participants and beneficiaries receiving payment | <u>17</u> | <u>7458996</u> | <u>7458996</u> |
| b For terminated vested participants | <u>25</u> | <u>5325911</u> | <u>5325911</u> |
| c For active participants | <u>0</u> | <u>0</u> | <u>0</u> |
| d Total | <u>42</u> | <u>12784907</u> | <u>12784907</u> |
| 4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/> | | | |
| a Funding target disregarding prescribed at-risk assumptions | 4a | | |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | | |
| 5 Effective interest rate | 5 | <u>5.40 %</u> | |
| 6 Target normal cost | | | |
| a Present value of current plan year accruals | 6a | <u>0</u> | |
| b Expected plan-related expenses | 6b | <u>79000</u> | |
| c Total (line 6a + line 6b) | 6c | <u>79000</u> | |

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

| | | |
|------------------|---|---|
| SIGN HERE |  Signature of actuary | <u>09-21-2023</u> Date |
| | <u>John M. Weber</u> Type or print name of actuary | <u>2307258</u> Most recent enrollment number |
| | <u>Principal Financial Group</u> Firm name | <u>515-248-3080</u> Telephone number (including area code) |
| | <u>PO Box 9394 Des Moines, IA 50306-9394</u> Address of the firm | |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

| | | | | |
|-------------------------|------------------------|------------------------|------------------------|---|
| a Segment rates: | 1st segment: 4.75 % | 2nd segment: 5.18 % | 3rd segment: 5.92 % | <input type="checkbox"/> N/A, full yield curve used |
|-------------------------|------------------------|------------------------|------------------------|---|

b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22**

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

| | | |
|---|-----------|---|
| 28 Unpaid minimum required contributions for all prior years | 28 | 0 |
| 29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | 29 | 0 |
| 30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)..... | 30 | 0 |

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

| | | |
|--|------------|-------|
| a Target normal cost (line 6c) | 31a | 79000 |
| b Excess assets, if applicable, but not greater than line 31a | 31b | 0 |

| | | |
|---|---------------------|-------------|
| 32 Amortization installments: | Outstanding Balance | Installment |
| a Net shortfall amortization installment | 3571750 | 359464 |
| b Waiver amortization installment | 0 | 0 |

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount..... **33**

| | | |
|---|-----------|--------|
| 34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... | 34 | 438464 |
|---|-----------|--------|

| | | | |
|--|-------------------|--------------------|---------------|
| | Carryover balance | Prefunding balance | Total balance |
| 35 Balances elected for use to offset funding requirement | 0 | 209502 | 209502 |

36 Additional cash requirement (line 34 minus line 35)..... **36** 228962

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 190249

38 Present value of excess contributions for current year (see instructions)

| | | |
|--|------------|---|
| a Total (excess, if any, of line 37 over line 36) | 38a | 0 |
| b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances..... | 38b | 0 |

| | | |
|---|-----------|-------|
| 39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | 39 | 38713 |
| 40 Unpaid minimum required contributions for all years | 40 | 38713 |

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

Schedule SB, Line 19 - Discounted Employer Contributions
 Peterson, Johnson, & Murray, S.C. Retirement Plan
 EIN 39-1456240 Plan No. 001

The attached schedule shows the date and amount of individual employer contributions, interest adjusted contribution, year to which the contributions are applied, applicable effective interest rate and amount applied to each quarterly contribution.

Contributions allocated toward minimum required contributions (Line 19c)

Contributions not applied to quarterly contributions are applied to Annual Cost.

| Date | Full Amount of Contribution by Employer | Interest Adjusted Amount of Contribution | Plan Year Applied | Effective Interest Rate | 1Q Full Amount | 1Q Interest Adjusted ¹ | 1Q Days Late | 2Q Full Amount | 2Q Interest Adjusted ¹ | 2Q Days Late | 3Q Full Amount | 3Q Interest Adjusted ¹ | 3Q Days Late | 4Q Full Amount | 4Q Interest Adjusted ¹ | 4Q Days Late |
|------------|---|--|-------------------|-------------------------|----------------|-----------------------------------|--------------|----------------|-----------------------------------|--------------|----------------|-----------------------------------|--------------|----------------|-----------------------------------|--------------|
| 10/11/2022 | \$15,158 | \$14,553 | 2022 | 5.40 % | | | | | | | \$15,150 | \$14,545 | 0 | \$8 | \$8 | 0 |
| 1/10/2023 | \$76,809 | \$72,780 | 2022 | 5.40 % | | | | | | | | | | \$76,746 | \$72,720 | 0 |
| 4/8/2023 | \$110,000 | \$102,916 | 2022 | 5.40 % | | | | | | | | | | | | |
| TOTAL | \$201,967 | \$190,249 | | | | | | | | | | | | | | |

¹ Includes increased rate for late quarterly contribution (calculated using the Effective Interest Rate plus 5% for the number of days late).

Schedule SB, Line 22 - Description Of Weighted Average Retirement Age
Peterson, Johnson, & Murray, S.C. Retirement Plan
EIN 39-1456240 Plan No. 001

The plan has no active participants, therefore line 22 is blank.

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the plan signed 09/03/2015 and the amendment signed 09/18/2018.

Plan eligibility

| | |
|----------------|---|
| Age | Attained age 21. |
| Service | Six months of eligibility service. |
| Class | Any employee except for independent contractors. Employees hired on and after January 1, 2011 will not be allowed to enter the plan. |

Normal retirement benefit

| | |
|---------------------------------|--|
| Age | Attained age 65. |
| Form | Monthly annuity payable for life (optional forms may be elected prior to retirement). |
| Amount (accrued benefit) | The accrued benefit is the greater of: <ul style="list-style-type: none">• 1% of average compensation up to the integration level times all years of service plus 1.65% of average compensation in excess of integration level times years of service not greater than 25; or• the sum of the participant's accrued benefit as of 1/1/2007. Benefits are frozen effective 06/23/2014. |
| TEFRA Minimum Benefit | 2% of the average of the highest consecutive five compensations for each top-heavy year of service after January 1, 1984, with a maximum of ten years. This benefit applies to non-key employees only. |

Late retirement benefit

| | |
|---------------|---|
| Age | No maximum age. |
| Form | Same as normal retirement benefit. |
| Amount | Greater of accrued benefit on normal retirement date actuarially increased to late retirement date, or accrued benefit on late retirement date. |

Termination benefit

- Vesting percentage** 20% after two years plus 20% per year for each year thereafter, up to 100%. Effective 01/01/2018 100% vesting for all employees terminated during 2017.
- Form** Same as normal retirement benefit with income deferred until normal retirement date.
- Amount** Accrued benefit on date of termination multiplied by the vesting percentage.

Disability retirement benefit

- Eligibility** Active or inactive participant who is totally and permanently disabled for a period of six consecutive months.
- Form** Monthly income payable as if the participant had retired. Optional forms may be elected.
- Amount** The actuarial equivalent of the participant's accrued benefit computed as of the anniversary date following termination. A terminated participant who becomes disabled after separation from service, may receive a monthly annuity that is the actuarial equivalent of his vested accrued benefit.

Death benefit

Greater of A or B below:

- A. Survivor annuity death benefit (a vested benefit)

- Eligibility** Qualified married participant fully or partially vested in an accrued benefit.
- Form** Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
- Amount** If death occurs, the amount paid to the surviving spouse equals the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 100% survivor annuity in effect, and died the next day.

B. Lump sum death benefit (a nonvested benefit)

| | |
|--------------------|--|
| Eligibility | Active or inactive vested participant. |
| Form | Lump sum payment. Optional forms may be elected. |
| Amount | The present value of a deferred monthly retirement benefit payable to the participant beginning on his normal retirement date and payable under the normal form. The deferred monthly retirement benefit shall be equal to the participant's vested accrued benefit as of the December 31 coinciding with or next following the date of his/her death. |

Definitions

| | |
|---|---|
| Average compensation | The monthly average of total pay received for the three highest consecutive years before retirement date. |
| Covered compensation | The average (without indexing) of the Taxable Wage Bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the participant attains or will attain Social Security Retirement Age |
| Integration level | 1/12 of covered compensation for the plan year |
| Optional forms of benefit payments | <p>The optional forms of benefit payments are:</p> <ul style="list-style-type: none">• Monthly annuity payable for life.• Monthly annuity payable for life with 5, 10, and 15 certain period.• Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 66 2/3, 75, or 100.• Lump sum payment equal to the present value of the retirement benefit. <p>The optional form conversion basis is 7.5% interest and the mortality table is 1983 Group Annuity Mortality (GAM) (50/50) for payments other than lump sums. The optional form conversion basis uses the applicable interest rate and applicable mortality table as set forth in Code Section 417 for lump sum payments. The applicable interest rate uses the first calendar month preceding the first day for the stability period which is the plan year.</p> |

Changes in Principal Eligibility or Benefit Provisions

There have been no changes in principal eligibility or benefit provisions since the last valuation.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.

Shortfall

| Date created | Present value | Remaining years | Annual charge |
|--------------|--------------------|-----------------|------------------|
| 01/01/2022 | \$1,205,182 | 15 | \$111,373 |
| 01/01/2021 | 756,913 | 14 | 73,287 |
| 01/01/2020 | (174,667) | 13 | (17,806) |
| 01/01/2019 | 1,784,322 | 12 | 192,610 |
| Total | \$3,571,750 | | \$359,464 |

Last year's total shortfall annual charge was \$248,091.

The total annual charge used in calculating your annual cost can't be less than zero.

Waiver charges represent your repayment to the plan for an annual charge that was not funded. A waiver only exists once the Internal Revenue Service has granted approval. See Waivers in Rules and regulations.

Waiver

| Date created | Present value | Remaining years | Annual charge |
|--------------|---------------|-----------------|---------------|
| N/A | N/A | N/A | N/A |

There are no waiver bases for the current year.

Schedule SB, Line 24 – Change in Actuarial Assumptions
Peterson, Johnson, & Murray, S.C. Retirement Plan
EIN 39-1456240 Plan No. 001

Certain non-prescribed assumptions have been changed since last year. These assumptions were changed to better reflect the anticipated experience of your plan. See the attachment, Part V – Statement of Actuarial Assumptions/Methods, for the rationale for each assumption.

The inflation assumption has increased from 2.25% to 2.40%.

The assumed asset return for the current year has decreased from 3.25% to 3.00%. This rate is used in the calculation of the actuarial value of plan assets.