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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br>▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection</b> |
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| <b>Part I</b>                                                                                          | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                            |
| For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022             |                                                                                                                                                                                                                                                                                                                                            |
| <b>A</b> This return/report is for:                                                                    | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) _____ |
| <b>B</b> This return/report is:                                                                        | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                      |
| <b>C</b> If the plan is a collectively-bargained plan, check here. ....                                | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                   |
| <b>D</b> Check box if filing under:                                                                    | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                     |
| <b>E</b> If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. .... | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                   |

|                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                           |
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| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                                       | <b>Basic Plan Information</b> —enter all requested information                                                                                                                            |
| <b>1a</b> Name of plan<br>JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN                                                                                                                                                                                                                                                                             | <b>1b</b> Three-digit plan number (PN) ▶ 001                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                      | <b>1c</b> Effective date of plan<br>01/31/1992                                                                                                                                            |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br>JOHNSON LAFFEN GALLOWAY ARCHITECTS, LTD.<br><br>323 DEMERS AVE - SUITE 200<br>GRAND FORKS, ND 58201 | <b>2b</b> Employer Identification Number (EIN)<br>45-0410459<br><br><b>2c</b> Plan Sponsor's telephone number<br>701-746-1727<br><br><b>2d</b> Business code (see instructions)<br>541310 |

**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.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/16/2023 | REBECCA EGELAND                                              |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

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

Form 5500 (2022)  
v. 220413

|                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>3b</b> Administrator's EIN              |
|                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>3c</b> Administrator's telephone number |
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>4b</b> EIN<br><br><b>4d</b> PN          |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>5</b> 199                               |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                            |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6a(1)</b> 146                           |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6a(2)</b> 177                           |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6b</b> 0                                |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6c</b> 53                               |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6d</b> 230                              |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6e</b> 0                                |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6f</b> 230                              |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6g</b> 215                              |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>6h</b> 4                                |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>7</b>                                   |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 2K 2T 3D                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                            |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                            |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                              | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                |                                            |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                            |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |                                            |

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

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

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

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

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

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
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| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> | OMB No. 1210-0110                       |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | 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         |                                                      |     |
| A Name of plan<br>JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN                   | B Three-digit plan number (PN) ▶                     | 001 |
|                                                                                                    |                                                      |     |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>JOHNSON LAFFEN GALLOWAY ARCHITECTS, LTD. | D Employer Identification Number (EIN)<br>45-0410459 |     |

|        |                                                 |
|--------|-------------------------------------------------|
| 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).. . . . . ☐ 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 |
|------------------------------------------------------------------------------------------------------------|

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

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

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

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

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

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

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

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**(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)

ALERUS FINANCIAL, N. A.

45-6062081

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 15 21 24<br>37 64      | NONE                                                                                              | 16793                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

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

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

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

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

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

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

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

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                                                                                                 |
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| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><div style="text-align: center; font-size: 1.2em; font-weight: bold;">2022</div><br><br><b>This Form is Open to Public Inspection.</b> |
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|                                                                                                                         |                                                                    |            |
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| For calendar plan year 2022 or fiscal plan year beginning <b>01/01/2022</b> and ending <b>12/31/2022</b>                |                                                                    |            |
| <b>A</b> Name of plan<br><b>JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN</b>                          | <b>B</b> Three-digit plan number (PN) ►                            | <b>001</b> |
|                                                                                                                         |                                                                    |            |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><b>JOHNSON LAFFEN GALLOWAY ARCHITECTS, LTD.</b> | <b>D</b> Employer Identification Number (EIN)<br><b>45-0410459</b> |            |

|                                                                                        |                                                                                                                                                                           |                                                                                                                    |  |
|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--|
| Part I                                                                                 | Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)<br>(Complete as many entries as needed to report all interests in DFEs) |                                                                                                                    |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>FEDERATED HERMES CAPITAL PRES</b>    |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>FEDERATED HERMES CAPITAL PRES</b> |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>22-2712853-001</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>824047</b>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>ALERUS MANAGED STRATEGIES FUND</b>   |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>ALERUS FINANCIAL, N.A.</b>        |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>45-0417057-004</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>230975</b>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>ALERUS CONSERVATIVE INCOME FUND</b>  |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>ALERUS FINANCIAL, N.A.</b>        |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>45-0417057-005</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>243615</b>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>ALERUS CONSERVATIVE GROWTH FUND</b>  |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>ALERUS FINANCIAL, N.A.</b>        |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>45-0417057-007</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>128314</b>  |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>ALERUS MODERATE GROWTH FUND</b>      |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>ALERUS FINANCIAL, N.A.</b>        |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>45-0417057-008</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>2844173</b> |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>ALERUS MODERATE INCOME FUND</b>      |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>ALERUS FINANCIAL, N.A.</b>        |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>45-0417057-006</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>69545</b>   |  |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <b>ALERUS AGGRESSIVE GROWTH FUND</b>    |                                                                                                                                                                           |                                                                                                                    |  |
| <b>b</b> Name of sponsor of entity listed in (a): <b>ALERUS FINANCIAL, N.A.</b>        |                                                                                                                                                                           |                                                                                                                    |  |
| <b>c</b> EIN-PN <b>45-0417057-009</b>                                                  | <b>d</b> Entity code <b>C</b>                                                                                                                                             | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <b>1667525</b> |  |

**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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><u>JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN</u>                                                                                                                                                                           | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                                                                                                                                                                                                   | <u>001</u>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>JOHNSON LAFFEN GALLOWAY ARCHITECTS, LTD.</u>                                                                                                                                                         | <b>D</b> Employer Identification Number (EIN)<br><u>45-0410459</u>                                                                                                                                                                                                           |                                                                                           |

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

| <b>1d</b> Employer-related investments:                              |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 18367693              | 15810148        |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 18367693 | 15810148 |
|-----------------------------------------------------------|-----------|----------|----------|

**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 |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 1208276    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 1145262    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 170078     |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 2523616   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> | 4055       |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> |            |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 4055      |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 292298     |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 292298    |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            | 0         |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                              | 2b(6)  |            | 13998     |
| (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) |            | -4569284  |
| c Other income .....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | -1735317  |
| <b>Expenses</b>                                                                                 |        |            |           |
| e Benefit payment and payments to provide benefits:                                             |        |            |           |
| (1) Directly to participants or beneficiaries, including direct rollovers .....                 | 2e(1)  | 1453618    |           |
| (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)  |            | 1453618   |
| 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)  |            |           |
| (3) Investment advisory and management fees .....                                               | 2i(3)  |            |           |
| (4) Other .....                                                                                 | 2i(4)  | 16793      |           |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                            | 2i(5)  |            | 16793     |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....            | 2j     |            | 1470411   |
| <b>Net Income and Reconciliation</b>                                                            |        |            |           |
| k Net income (loss). Subtract line 2j from line 2d .....                                        | 2k     |            | -3205728  |
| l Transfers of assets:                                                                          |        |            |           |
| (1) To this plan .....                                                                          | 2l(1)  |            | 648183    |
| (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) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

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

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

(1) Name: **BRADY, MARTZ & ASSOCIATES, P.C.**

(2) EIN: **45-0310328**

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

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

**Part IV Compliance Questions**

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

During the plan year:

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

|           | Yes | No | Amount |
|-----------|-----|----|--------|
| <b>4a</b> |     | X  |        |

|                                                                                                                                                                                                                                                                                                            | Yes | No | Amount |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|--------|
| <b>b</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.) |     |    |        |
| <b>4b</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>c</b> 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.)                                                                                                                             |     |    |        |
| <b>4c</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>d</b> 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.)                                                                                                                  |     |    |        |
| <b>4d</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>e</b> Was this plan covered by a fidelity bond?                                                                                                                                                                                                                                                         | X   |    | 500000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?                                                                                                                                                                          |     | X  |        |
| <b>4f</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>g</b> 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?                                                                                                                                       |     |    |        |
| <b>4g</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>h</b> 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?                                                                                                                             |     |    |        |
| <b>4h</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)                                                                                                                                                   | X   |    |        |
| <b>4i</b>                                                                                                                                                                                                                                                                                                  | X   |    |        |
| <b>j</b> 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.)                                                                                     |     |    |        |
| <b>4j</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?                                                                                                                                              |     |    |        |
| <b>4k</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan?                                                                                                                                                                                                                               |     |    |        |
| <b>4l</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)                                                                                                                                                                                     |     |    |        |
| <b>4m</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>n</b> 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.                                                                                                                        |     |    |        |
| <b>4n</b>                                                                                                                                                                                                                                                                                                  |     |    |        |

**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 \_\_\_\_\_.

|                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div>                                                                                                                            | <div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div> |
| For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| A Name of plan<br>JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  | B Three-digit plan number (PN) ► 001                                                            |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>JOHNSON LAFFEN GALLOWAY ARCHITECTS, LTD.                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                  | D Employer Identification Number (EIN)<br>45-0410459                                            |
| 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):<br><br>EIN(s): 45-6062081                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 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)? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A<br>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 _____<br>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? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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..... <input type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Both <input type="checkbox"/> 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?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock?..... <input type="checkbox"/> Yes <input type="checkbox"/> 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.)..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                              |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| For Paperwork Reduction Act Notice, see the Instructions for Form 5500.                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Schedule R (Form 5500) 2022 v. 220413                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |

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

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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): \_\_\_\_\_

|           |                                                                                                                                                                                                                                                                                                                                 |            |  |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>14</b> | 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:                                                                                                                      |            |  |
|           | <b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)..... | <b>14a</b> |  |
|           | <b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....                                                                                                | <b>14b</b> |  |
|           | <b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....                                                                                                                           | <b>14c</b> |  |
| <b>15</b> | 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:                                                                                                                                                    |            |  |
|           | <b>a</b> The corresponding number for the plan year immediately preceding the current plan year.....                                                                                                                                                                                                                            | <b>15a</b> |  |
|           | <b>b</b> The corresponding number for the second preceding plan year.....                                                                                                                                                                                                                                                       | <b>15b</b> |  |
| <b>16</b> | Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                                                                                            |            |  |
|           | <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                                                                                                        | <b>16a</b> |  |
|           | <b>b</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.....                                                                                                                                                           | <b>16b</b> |  |
| <b>17</b> | 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 ..... <input type="checkbox"/>                                                                            |            |  |

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>Part VI</b> | <b>Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans</b> |
|----------------|---------------------------------------------------------------------------------------------------|

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>18</b> | 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 ..... <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>19</b> | <p>If the total number of participants is 1,000 or more, complete lines (a) through (c)</p> <p><b>a</b> Enter the percentage of plan assets held as:<br/> Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%</p> <p><b>b</b> Provide the average duration of the combined investment-grade and high-yield debt:<br/> <input type="checkbox"/> 0-3 years <input type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more</p> <p><b>c</b> What duration measure was used to calculate line 19(b)?<br/> <input type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify): _____</p>                                                                                                                                                                           |
| <b>20</b> | <p><b>PBGC missed contribution reporting requirements.</b> If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.</p> <p><b>a</b> Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>b</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:</p> <p><input type="checkbox"/> Yes.</p> <p><input type="checkbox"/> 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.</p> <p><input type="checkbox"/> 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.</p> <p><input type="checkbox"/> No. Other. Provide explanation _____</p> |

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN  
GRAND FORKS, NORTH DAKOTA**

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Administrators of  
Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan  
Grand Forks, North Dakota

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

We have performed the audits of the financial statements of Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) 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, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) 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 audits 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 and for the years ended December 31, 2022 and 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 audits and on the procedures performed as described in the Auditor's Responsibilities for the Audits 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 audits 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 Audits of the Financial Statements section of our report. We are required to be independent of Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

### **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 Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) 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 Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audits 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 Matters - Supplemental Schedule Required by ERISA**

The supplemental Schedule of Assets (Held at End of Year), as of December 31, 2022 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, 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 schedule 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 schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is 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 schedule 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).



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**FARGO, NORTH DAKOTA**

October 16, 2023

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**  
**AS OF DECEMBER 31, 2022 AND 2021**

|                                    | <u>2022</u>          | <u>2021</u>          |
|------------------------------------|----------------------|----------------------|
| ASSETS:                            |                      |                      |
| Investments at fair value          | \$ 15,693,232        | \$ 18,286,783        |
| Notes receivable from participants | <u>116,918</u>       | <u>80,910</u>        |
| NET ASSETS AVAILABLE FOR BENEFITS  | <u>\$ 15,810,150</u> | <u>\$ 18,367,693</u> |

See Notes to the Financial Statements

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

|                                                                 | <u>2022</u>                | <u>2021</u>                |
|-----------------------------------------------------------------|----------------------------|----------------------------|
| ADDITIONS (SUBTRACTIONS) TO NET ASSETS<br>ATTRIBUTED TO:        |                            |                            |
| Investment income (loss):                                       |                            |                            |
| Net appreciation (depreciation) in fair value of<br>investments | \$ (4,569,282)             | \$ 1,650,160               |
| Dividend income                                                 | <u>306,296</u>             | <u>849,042</u>             |
| Total investment income (loss)                                  | <u>(4,262,986)</u>         | <u>2,499,202</u>           |
| Interest income on notes receivable from participants           | <u>4,055</u>               | <u>2,982</u>               |
| Contributions:                                                  |                            |                            |
| Participants                                                    | 1,145,262                  | 885,238                    |
| Employer                                                        | 1,208,276                  | 606,918                    |
| Participant rollovers                                           | <u>170,078</u>             | <u>26,617</u>              |
| Total contributions                                             | <u>2,523,616</u>           | <u>1,518,773</u>           |
| Transfer from JLG Architects Employee Stock<br>Ownership Plan   | <u>648,183</u>             | <u>847,072</u>             |
| Total additions (subtractions)                                  | <u>(1,087,132)</u>         | <u>4,868,029</u>           |
| DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:                       |                            |                            |
| Benefits paid to participants                                   | 1,453,618                  | 3,844,043                  |
| Administrative expenses                                         | <u>16,793</u>              | <u>4,313</u>               |
| Total deductions                                                | <u>1,470,411</u>           | <u>3,848,356</u>           |
| NET INCREASE (DECREASE)                                         | (2,557,543)                | 1,019,673                  |
| NET ASSETS AVAILABLE FOR BENEFITS:                              |                            |                            |
| Beginning of year                                               | <u>18,367,693</u>          | <u>17,348,020</u>          |
| End of year                                                     | <u><u>\$15,810,150</u></u> | <u><u>\$18,367,693</u></u> |

See Notes to the Financial Statements

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 1 PLAN DESCRIPTION**

The following description of the Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**General**

Johnson Laffen Galloway Architects, Ltd. established the Plan effective January 31, 1992. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is a defined contribution plan. Effective January 1, 2020, the plan was restated to implement a discretionary matching contribution policy and terminate the Plan's safe harbor matching policy. As of July 6, 2020 the Plan notified the employees of the Plan Sponsor that the plan was amended to eliminate any matching contributions by the Employer with respect to any compensation that is deferred upon after the amendment's effective date.

The plan is administered by the sponsor, Johnson Laffen Galloway Architects, Ltd. (the Company). Alerus Retirement and Benefits (the Recordkeeper) serves as the provider of the Plan and maintains the records of the participant data. Alerus Financial, N.A. (the Trustee) holds the Plan's assets.

**Eligibility**

All employees of the Company are eligible to participate in the Plan after attainment of age 21 except for collective bargaining (union) employees, non-resident aliens, leased employees, reclassified employees, student interns, and seasonal/temporary employees whose regularly scheduled service is less than 1,000 hours of service in the relevant eligibility computation period. To receive discretionary matching contributions, an employee must complete one year of service (defined as 1,000 hours during the relevant eligibility computation period), be 21 years of age and be contributing to the Plan. To receive the nonelective contribution, an employee must be employed on the last day of the plan year, or have completed 501+ hours of service during the plan year and be employed for at least 91 consecutive calendar days. Employees may enroll in the Plan immediately following the participant's employment commencement date, or, if later, upon satisfaction of eligibility conditions.

**Contributions**

Participants may contribute up to the maximum dollar amount allowed under federal regulations for the plan year. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. In addition to any participant deferrals, the Employer will make additional contributions to the Plan.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

The Company may make discretionary matching contributions. Under this provision, the Company elects to continue to match 100% of the participant's elective deferrals that do not exceed 6% of their respective compensation.

As of January 1, 2020, the Company can make a nonelective contribution to the Plan. No such contributions were made for the plan years ending December 31, 2022 and 2021.

Participants may make rollover contributions for amounts representing distributions from other qualified defined benefit plans, defined contribution plans, or individual retirement accounts.

### **Payment of Benefits**

Upon termination of employment, death, disability or retirement, the participant, or his or her beneficiary in the event of death, will receive a distribution equal to the value of the participant's vested interest. Terminated participants with account balances of \$5,000 or less are required to take a lump sum distribution upon termination. Terminated participants with account balances in excess of \$5,000 are eligible for a lump sum distribution, installment distributions, ad-hoc distributions, or direct rollover to an IRA or other qualified plan. If the amount of the distribution exceeds \$1,000 and the participant does not elect to either receive or roll the distribution, the distribution will be directly rolled over to an IRA in the participant's name. Hardship distributions and in-service retirement distributions are also permitted for participants who have not separated from service. Participants must have attained age 59 ½ to qualify for in-service retirement distributions.

Generally, certain minimum distributions are required for participants who have separated from service and have reached age 72.

### **Participant Accounts**

Each participant's account is credited with the participant's deferrals and the Company's contributions. Plan earnings are allocated based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. The Plan allows for participant-directed investment programs for which separate funds are maintained. The value of each participant's account is determined daily.

### **Participants' Investment Options**

Participants must direct their deferrals and Company contributions to selected investments as offered by the Plan. Participants may change their investment options throughout the year by contacting Alerus Retirement and Benefits, the Recordkeeper.

### **Vesting**

Participants are always 100 percent vested in their elective deferrals and earnings. Profit sharing contributions and earnings are fully vested after six years of credited service.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Notes Receivable from Participants**

Participants may borrow from their accounts up to a maximum of the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest equal to the Prime interest rate as published in the Wall Street Journal when the loan was obtained. The term of the loan cannot exceed five years, unless it is for the purchase of a principal residence, which must be repaid within fifteen years. Principal and interest are paid ratably through payroll deductions.

**Forfeitures**

At December 31, 2022 and 2021, forfeited nonvested accounts totaled \$0 and \$5, respectively. This account is used to reduce employer contributions or pay expenses. During the years ended December 31, 2022 and 2021, \$5 and \$0 of forfeitures, respectively, were used to pay plan expenses.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Plan are prepared using the accrual method of accounting.

**Basis of Presentation**

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America, ("GAAP"), as codified by the Financial Accounting Standards Board.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's management determines the Plan's valuation policies utilizing information provided by Alerus Financial, N.A. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are reflected on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held and transferred during the year and is reflected in the statements of changes in net assets available for benefits.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Payment of Benefits**

Benefit distributions to participants are recorded when paid.

**Administrative Expenses**

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. All such fees are charged directly against the fund's investment performance and thus are not separately disclosed in the accompanying financial statements. Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the plan sponsor. Expenses that are paid by the plan sponsor are excluded from these financials.

**Income Taxes**

The Plan's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

**Notes Receivable from Participants**

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document. No allowance for credit losses has been recorded as of December 31, 2022 and 2021.

**NOTE 3 INFORMATION PREPARED AND CERTIFIED BY TRUSTEE**

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Trustee, Alerus Financial, N.A:

|                                                       | 2022         | 2021          |
|-------------------------------------------------------|--------------|---------------|
| Investments at fair value:                            |              |               |
| Mutual funds                                          | \$ 9,684,447 | \$ 11,362,034 |
| Collective trust funds                                | 6,008,196    | 6,924,749     |
| Alerus managed accounts                               | 589          | -             |
| Notes receivable from participants                    | 116,918      | 80,910        |
| Investment income (loss)                              | (4,262,986)  | 2,499,202     |
| Interest income on notes receivable from participants | 4,055        | 2,982         |

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 4 FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board Statement ASC Topic 820, *Fair Value Measurements*, establishes a framework for measuring fair value. 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 three levels of the fair value hierarchy under FASB ASC Topic 820 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.
- Level 2     Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3     Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 the methodologies used at December 31, 2022 and 2021.

Mutual funds (including money market mutual funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Collective trust funds: Valued at the net asset value (NAV) of units of the trust. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
DECEMBER 31, 2022 AND 2021

Alerus Managed Accounts: Accounts are funded based upon participants' risk tolerance, retirement age, and other preferences. Accounts primarily consist of mutual funds, money market funds, common stocks, and ETF stocks. Mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily NAV and to transact at that price and are deemed to be actively traded. Common stocks and ETF stocks are valued at the closing price reported on the active market on which the individual securities are treated.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022:

|                                             | <u>Level 1</u>      | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>         |
|---------------------------------------------|---------------------|----------------|----------------|----------------------|
| Mutual funds                                | \$ 9,684,447        | \$ -           | \$ -           | \$ 9,684,447         |
| Alerus managed accounts                     | 589                 | -              | -              | 589                  |
| Total assets in the fair value              | <u>\$ 9,685,036</u> | <u>\$ -</u>    | <u>\$ -</u>    | 9,685,036            |
| Investments measured at net asset value (a) |                     |                |                | <u>6,008,196</u>     |
| Investments at fair value                   |                     |                |                | <u>\$ 15,693,232</u> |

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021:

|                                             | <u>Level 1</u>       | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>         |
|---------------------------------------------|----------------------|----------------|----------------|----------------------|
| Mutual funds                                | <u>\$ 11,362,034</u> | <u>\$ -</u>    | <u>\$ -</u>    | \$ 11,362,034        |
| Investments measured at net asset value (a) |                      |                |                | <u>6,924,749</u>     |
| Investments at fair value                   |                      |                |                | <u>\$ 18,286,783</u> |

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

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Investments Measured Using the Net Asset Value per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2022 and 2021, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the plan.

| Investment Type        | December 31,         |                      | Unfunded<br>Commitments | Redemption<br>Frequency | Redemption<br>Notice Period |
|------------------------|----------------------|----------------------|-------------------------|-------------------------|-----------------------------|
|                        | 2022                 | 2021                 |                         |                         |                             |
|                        | Fair Market<br>Value | Fair Market<br>Value |                         |                         |                             |
| Collective trust funds | \$ 6,008,196         | \$ 6,924,749         | \$ -                    | Daily                   | N/A                         |

**NOTE 5 INCOME TAX STATUS**

The Plan adopted a pre-approved volume submitter plan sponsored by Alerus Financial, N.A. The volume submitter plan has received a favorable advisory letter dated June 30, 2020, from the Internal Revenue Service as to the plan's qualification status. The advisory letter has been relied upon by this Plan. The Plan Administrators believe the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken a significant uncertain tax position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

**NOTE 6 EXEMPT TRANSACTIONS WITH PARTIES-IN-INTEREST**

Certain plan investments are managed by Alerus Financial, N.A., the Trustee for the plan, and, therefore, these transactions qualify as party-in-interest transactions.

Alerus Retirement and Benefits, a division of Alerus Financial, N.A. provides certain administrative services to the Plan pursuant to a Retirement Plan Services Agreement entered into with the Company. Alerus Retirement and Benefits can receive revenue from mutual fund service providers for services Alerus provides to the funds under Securities and Exchange Commission Rule 12b-1. Any revenue received is used to offset certain amounts owed to Alerus Retirement and Benefits for its administrative services provided to the Plan.

If the revenue received by Alerus Retirement and Benefits from such mutual fund service providers exceeds the amount owed, Alerus remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay Plan administrative expenses or allocated to the accounts of the participants. During 2022 and 2021, there were no excess amounts. The Plan or Plan Sponsor may make a payment to Alerus for administrative expenses not covered by the revenue sharing.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

For the years ended December 31, 2022 and 2021, the Plan paid asset management and participant recordkeeping fees to Alerus Retirement and Benefits in the amount of \$16,793 and \$4,313, respectively. In addition, the Company paid certain administrative expenses on behalf of the Plan, with no expectation of being reimbursed for these expenses.

**NOTE 7 RISKS AND UNCERTAINTIES**

Participants direct the investment of their accounts into various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

**NOTE 8 AMENDMENT AND TERMINATION**

Although it has not expressed any intent to do so, the Company reserves the right at any time to amend or terminate the Plan subject to the provisions of the Plan and ERISA. If the Company terminates contributions or the Plan is terminated, all participants become fully vested.

**NOTE 9 SUBSEQUENT EVENTS**

No significant events occurred subsequent to the Plan's year end. Subsequent events have been evaluated through October 16, 2023, which is the date these financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**

EMPLOYER IDENTIFICATION NUMBER 45-0410459

PLAN NUMBER 001

FORM 5500 ANNUAL REPORT - SCHEDULE H, LINE 4(I) -  
SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2022

| (a)                                                   | (b)                                                                                | (c)  | (d)           | (e)                  |
|-------------------------------------------------------|------------------------------------------------------------------------------------|------|---------------|----------------------|
| Identity of Issue                                     | Description of Investment                                                          | Cost | Current value |                      |
| Vanguard Target Retirement Income Fund                | Mutual fund                                                                        | *    | \$            | 436,761              |
| Vanguard Target Retirement 2025 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 4,448                |
| Vanguard Target Retirement 2035 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 361,549              |
| Vanguard Target Retirement 2045 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 814,940              |
| Vanguard Target Retirement 2065 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 24,231               |
| Vanguard Target Retirement 2020 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 45,469               |
| Vanguard Target Retirement 2060 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 67,709               |
| Vanguard Target Retirement 2055 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 527,214              |
| Vanguard Target Retirement 2050 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 70,825               |
| Vanguard Target Retirement 2040 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 685                  |
| Vanguard Target Retirement 2030 Fund Investor Shares  | Mutual fund                                                                        | *    |               | 105,530              |
| Dodge & Cox Income Fund                               | Mutual fund                                                                        | *    |               | 88,967               |
| Federated Hermes Instl High Yield Bond                | Mutual fund                                                                        | *    |               | 115,602              |
| Vanguard BD Index Fd Inc Interm-Term Admiral          | Mutual fund                                                                        | *    |               | 264,833              |
| Cohen & Steers Institutional Realty Shares            | Mutual fund                                                                        | *    |               | 126,509              |
| Fidelity Advisor Equity Growth Z                      | Mutual fund                                                                        | *    |               | 1,174,712            |
| Fidelity 500 Index Fund                               | Mutual fund                                                                        | *    |               | 1,712,752            |
| JP Morgan Mid Cap Growth R6                           | Mutual fund                                                                        | *    |               | 311,896              |
| MFS Mid Cap Value FD CL R6                            | Mutual fund                                                                        | *    |               | 464,091              |
| Vanguard Equity Income - Admiral                      | Mutual fund                                                                        | *    |               | 493,258              |
| Vanguard Small Cap Value Index Fund Admiral Shares    | Mutual fund                                                                        | *    |               | 92,851               |
| Vanguard Small Cap Growth Index Fund Admiral Shares   | Mutual fund                                                                        | *    |               | 213,429              |
| Vanguard Total Stock Market Index Fund Admiral Shares | Mutual fund                                                                        | *    |               | 1,394,221            |
| American Funds EuroPacific Growth Fund Class R6       | Mutual fund                                                                        | *    |               | 630,800              |
| American Funds New World Fund Class R6                | Mutual fund                                                                        | *    |               | 141,165              |
| Federated Hermes Capital Preservation Fund Class R6   | Collective trust fund                                                              | *    |               | 824,048              |
| ** Alerus Conservative Income Fund Direct Shares      | Collective trust fund                                                              | *    |               | 243,616              |
| ** Alerus Moderate Income Fund Direct Shares          | Collective trust fund                                                              | *    |               | 69,545               |
| ** Alerus Conservative Growth Fund Direct Shares      | Collective trust fund                                                              | *    |               | 128,314              |
| ** Alerus Moderate Growth Fund Direct Shares          | Collective trust fund                                                              | *    |               | 2,844,173            |
| ** Alerus Aggressive Growth Fund Direct Shares        | Collective trust fund                                                              | *    |               | 1,667,525            |
| ** Alerus Managed Strategies                          | Collective trust fund                                                              | *    |               | 230,975              |
| ** Alerus Managed Accounts                            | Various                                                                            | *    |               | 589                  |
| ** Notes Receivable from Participants                 | Promissory notes with<br>interest rates of 3.25% - 9.5%<br>with varying maturities | -    |               | 116,918              |
| Total                                                 |                                                                                    |      |               | <u>\$ 15,810,150</u> |

\* Participant Directed Investment

\*\* A Party-In-Interest as defined by ERISA

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN  
GRAND FORKS, NORTH DAKOTA**

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Administrators of  
Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan  
Grand Forks, North Dakota

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

We have performed the audits of the financial statements of Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) 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, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) 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 audits 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 and for the years ended December 31, 2022 and 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 audits and on the procedures performed as described in the Auditor's Responsibilities for the Audits 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 audits 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 Audits of the Financial Statements section of our report. We are required to be independent of Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

### **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 Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) 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 Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audits 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 Matters - Supplemental Schedule Required by ERISA**

The supplemental Schedule of Assets (Held at End of Year), as of December 31, 2022 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, 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 schedule 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 schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is 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 schedule 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).



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**FARGO, NORTH DAKOTA**

October 16, 2023

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**  
**AS OF DECEMBER 31, 2022 AND 2021**

|                                    | <u>2022</u>          | <u>2021</u>          |
|------------------------------------|----------------------|----------------------|
| ASSETS:                            |                      |                      |
| Investments at fair value          | \$ 15,693,232        | \$ 18,286,783        |
| Notes receivable from participants | <u>116,918</u>       | <u>80,910</u>        |
| NET ASSETS AVAILABLE FOR BENEFITS  | <u>\$ 15,810,150</u> | <u>\$ 18,367,693</u> |

See Notes to the Financial Statements

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

|                                                              | <u>2022</u>                | <u>2021</u>                |
|--------------------------------------------------------------|----------------------------|----------------------------|
| ADDITIONS (SUBTRACTIONS) TO NET ASSETS ATTRIBUTED TO:        |                            |                            |
| Investment income (loss):                                    |                            |                            |
| Net appreciation (depreciation) in fair value of investments | \$ (4,569,282)             | \$ 1,650,160               |
| Dividend income                                              | <u>306,296</u>             | <u>849,042</u>             |
| Total investment income (loss)                               | <u>(4,262,986)</u>         | <u>2,499,202</u>           |
| Interest income on notes receivable from participants        | <u>4,055</u>               | <u>2,982</u>               |
| Contributions:                                               |                            |                            |
| Participants                                                 | 1,145,262                  | 885,238                    |
| Employer                                                     | 1,208,276                  | 606,918                    |
| Participant rollovers                                        | <u>170,078</u>             | <u>26,617</u>              |
| Total contributions                                          | <u>2,523,616</u>           | <u>1,518,773</u>           |
| Transfer from JLG Architects Employee Stock Ownership Plan   | <u>648,183</u>             | <u>847,072</u>             |
| Total additions (subtractions)                               | <u>(1,087,132)</u>         | <u>4,868,029</u>           |
| DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:                    |                            |                            |
| Benefits paid to participants                                | 1,453,618                  | 3,844,043                  |
| Administrative expenses                                      | <u>16,793</u>              | <u>4,313</u>               |
| Total deductions                                             | <u>1,470,411</u>           | <u>3,848,356</u>           |
| NET INCREASE (DECREASE)                                      | (2,557,543)                | 1,019,673                  |
| NET ASSETS AVAILABLE FOR BENEFITS:                           |                            |                            |
| Beginning of year                                            | <u>18,367,693</u>          | <u>17,348,020</u>          |
| End of year                                                  | <u><u>\$15,810,150</u></u> | <u><u>\$18,367,693</u></u> |

See Notes to the Financial Statements

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 1    PLAN DESCRIPTION**

The following description of the Johnson Laffen Galloway Architects Ltd Safe Harbor 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**General**

Johnson Laffen Galloway Architects, Ltd. established the Plan effective January 31, 1992. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is a defined contribution plan. Effective January 1, 2020, the plan was restated to implement a discretionary matching contribution policy and terminate the Plan's safe harbor matching policy. As of July 6, 2020 the Plan notified the employees of the Plan Sponsor that the plan was amended to eliminate any matching contributions by the Employer with respect to any compensation that is deferred upon after the amendment's effective date.

The plan is administered by the sponsor, Johnson Laffen Galloway Architects, Ltd. (the Company). Alerus Retirement and Benefits (the Recordkeeper) serves as the provider of the Plan and maintains the records of the participant data. Alerus Financial, N.A. (the Trustee) holds the Plan's assets.

**Eligibility**

All employees of the Company are eligible to participate in the Plan after attainment of age 21 except for collective bargaining (union) employees, non-resident aliens, leased employees, reclassified employees, student interns, and seasonal/temporary employees whose regularly scheduled service is less than 1,000 hours of service in the relevant eligibility computation period. To receive discretionary matching contributions, an employee must complete one year of service (defined as 1,000 hours during the relevant eligibility computation period), be 21 years of age and be contributing to the Plan. To receive the nonelective contribution, an employee must be employed on the last day of the plan year, or have completed 501+ hours of service during the plan year and be employed for at least 91 consecutive calendar days. Employees may enroll in the Plan immediately following the participant's employment commencement date, or, if later, upon satisfaction of eligibility conditions.

**Contributions**

Participants may contribute up to the maximum dollar amount allowed under federal regulations for the plan year. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. In addition to any participant deferrals, the Employer will make additional contributions to the Plan.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

The Company may make discretionary matching contributions. Under this provision, the Company elects to continue to match 100% of the participant's elective deferrals that do not exceed 6% of their respective compensation.

As of January 1, 2020, the Company can make a nonelective contribution to the Plan. No such contributions were made for the plan years ending December 31, 2022 and 2021.

Participants may make rollover contributions for amounts representing distributions from other qualified defined benefit plans, defined contribution plans, or individual retirement accounts.

### **Payment of Benefits**

Upon termination of employment, death, disability or retirement, the participant, or his or her beneficiary in the event of death, will receive a distribution equal to the value of the participant's vested interest. Terminated participants with account balances of \$5,000 or less are required to take a lump sum distribution upon termination. Terminated participants with account balances in excess of \$5,000 are eligible for a lump sum distribution, installment distributions, ad-hoc distributions, or direct rollover to an IRA or other qualified plan. If the amount of the distribution exceeds \$1,000 and the participant does not elect to either receive or roll the distribution, the distribution will be directly rolled over to an IRA in the participant's name. Hardship distributions and in-service retirement distributions are also permitted for participants who have not separated from service. Participants must have attained age 59 ½ to qualify for in-service retirement distributions.

Generally, certain minimum distributions are required for participants who have separated from service and have reached age 72.

### **Participant Accounts**

Each participant's account is credited with the participant's deferrals and the Company's contributions. Plan earnings are allocated based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. The Plan allows for participant-directed investment programs for which separate funds are maintained. The value of each participant's account is determined daily.

### **Participants' Investment Options**

Participants must direct their deferrals and Company contributions to selected investments as offered by the Plan. Participants may change their investment options throughout the year by contacting Alerus Retirement and Benefits, the Recordkeeper.

### **Vesting**

Participants are always 100 percent vested in their elective deferrals and earnings. Profit sharing contributions and earnings are fully vested after six years of credited service.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Notes Receivable from Participants**

Participants may borrow from their accounts up to a maximum of the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest equal to the Prime interest rate as published in the Wall Street Journal when the loan was obtained. The term of the loan cannot exceed five years, unless it is for the purchase of a principal residence, which must be repaid within fifteen years. Principal and interest are paid ratably through payroll deductions.

**Forfeitures**

At December 31, 2022 and 2021, forfeited nonvested accounts totaled \$0 and \$5, respectively. This account is used to reduce employer contributions or pay expenses. During the years ended December 31, 2022 and 2021, \$5 and \$0 of forfeitures, respectively, were used to pay plan expenses.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Plan are prepared using the accrual method of accounting.

**Basis of Presentation**

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America, ("GAAP"), as codified by the Financial Accounting Standards Board.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's management determines the Plan's valuation policies utilizing information provided by Alerus Financial, N.A. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are reflected on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held and transferred during the year and is reflected in the statements of changes in net assets available for benefits.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Payment of Benefits**

Benefit distributions to participants are recorded when paid.

**Administrative Expenses**

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. All such fees are charged directly against the fund's investment performance and thus are not separately disclosed in the accompanying financial statements. Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the plan sponsor. Expenses that are paid by the plan sponsor are excluded from these financials.

**Income Taxes**

The Plan's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

**Notes Receivable from Participants**

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document. No allowance for credit losses has been recorded as of December 31, 2022 and 2021.

**NOTE 3 INFORMATION PREPARED AND CERTIFIED BY TRUSTEE**

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Trustee, Alerus Financial, N.A:

|                                                       | 2022         | 2021          |
|-------------------------------------------------------|--------------|---------------|
| Investments at fair value:                            |              |               |
| Mutual funds                                          | \$ 9,684,447 | \$ 11,362,034 |
| Collective trust funds                                | 6,008,196    | 6,924,749     |
| Alerus managed accounts                               | 589          | -             |
| Notes receivable from participants                    | 116,918      | 80,910        |
| Investment income (loss)                              | (4,262,986)  | 2,499,202     |
| Interest income on notes receivable from participants | 4,055        | 2,982         |

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 4 FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board Statement ASC Topic 820, *Fair Value Measurements*, establishes a framework for measuring fair value. 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 three levels of the fair value hierarchy under FASB ASC Topic 820 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.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets
  - Inputs other than quoted prices that are observable for the asset or liability;
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 the methodologies used at December 31, 2022 and 2021.

Mutual funds (including money market mutual funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Collective trust funds: Valued at the net asset value (NAV) of units of the trust. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
DECEMBER 31, 2022 AND 2021

Alerus Managed Accounts: Accounts are funded based upon participants' risk tolerance, retirement age, and other preferences. Accounts primarily consist of mutual funds, money market funds, common stocks, and ETF stocks. Mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily NAV and to transact at that price and are deemed to be actively traded. Common stocks and ETF stocks are valued at the closing price reported on the active market on which the individual securities are treated.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022:

|                                             | <u>Level 1</u>      | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>         |
|---------------------------------------------|---------------------|----------------|----------------|----------------------|
| Mutual funds                                | \$ 9,684,447        | \$ -           | \$ -           | \$ 9,684,447         |
| Alerus managed accounts                     | 589                 | -              | -              | 589                  |
| Total assets in the fair value              | <u>\$ 9,685,036</u> | <u>\$ -</u>    | <u>\$ -</u>    | 9,685,036            |
| Investments measured at net asset value (a) |                     |                |                | <u>6,008,196</u>     |
| Investments at fair value                   |                     |                |                | <u>\$ 15,693,232</u> |

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021:

|                                             | <u>Level 1</u>       | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>         |
|---------------------------------------------|----------------------|----------------|----------------|----------------------|
| Mutual funds                                | <u>\$ 11,362,034</u> | <u>\$ -</u>    | <u>\$ -</u>    | \$ 11,362,034        |
| Investments measured at net asset value (a) |                      |                |                | <u>6,924,749</u>     |
| Investments at fair value                   |                      |                |                | <u>\$ 18,286,783</u> |

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

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Investments Measured Using the Net Asset Value per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2022 and 2021, respectively. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the plan.

| Investment Type        | December 31,         |                      | Unfunded<br>Commitments | Redemption<br>Frequency | Redemption<br>Notice Period |
|------------------------|----------------------|----------------------|-------------------------|-------------------------|-----------------------------|
|                        | 2022                 | 2021                 |                         |                         |                             |
|                        | Fair Market<br>Value | Fair Market<br>Value |                         |                         |                             |
| Collective trust funds | \$ 6,008,196         | \$ 6,924,749         | \$ -                    | Daily                   | N/A                         |

**NOTE 5 INCOME TAX STATUS**

The Plan adopted a pre-approved volume submitter plan sponsored by Alerus Financial, N.A. The volume submitter plan has received a favorable advisory letter dated June 30, 2020, from the Internal Revenue Service as to the plan's qualification status. The advisory letter has been relied upon by this Plan. The Plan Administrators believe the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken a significant uncertain tax position that more likely than not would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

**NOTE 6 EXEMPT TRANSACTIONS WITH PARTIES-IN-INTEREST**

Certain plan investments are managed by Alerus Financial, N.A., the Trustee for the plan, and, therefore, these transactions qualify as party-in-interest transactions.

Alerus Retirement and Benefits, a division of Alerus Financial, N.A. provides certain administrative services to the Plan pursuant to a Retirement Plan Services Agreement entered into with the Company. Alerus Retirement and Benefits can receive revenue from mutual fund service providers for services Alerus provides to the funds under Securities and Exchange Commission Rule 12b-1. Any revenue received is used to offset certain amounts owed to Alerus Retirement and Benefits for its administrative services provided to the Plan.

If the revenue received by Alerus Retirement and Benefits from such mutual fund service providers exceeds the amount owed, Alerus remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay Plan administrative expenses or allocated to the accounts of the participants. During 2022 and 2021, there were no excess amounts. The Plan or Plan Sponsor may make a payment to Alerus for administrative expenses not covered by the revenue sharing.

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

For the years ended December 31, 2022 and 2021, the Plan paid asset management and participant recordkeeping fees to Alerus Retirement and Benefits in the amount of \$16,793 and \$4,313, respectively. In addition, the Company paid certain administrative expenses on behalf of the Plan, with no expectation of being reimbursed for these expenses.

**NOTE 7 RISKS AND UNCERTAINTIES**

Participants direct the investment of their accounts into various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

**NOTE 8 AMENDMENT AND TERMINATION**

Although it has not expressed any intent to do so, the Company reserves the right at any time to amend or terminate the Plan subject to the provisions of the Plan and ERISA. If the Company terminates contributions or the Plan is terminated, all participants become fully vested.

**NOTE 9 SUBSEQUENT EVENTS**

No significant events occurred subsequent to the Plan's year end. Subsequent events have been evaluated through October 16, 2023, which is the date these financial statements were available to be issued.

## **SUPPLEMENTAL INFORMATION**

**JOHNSON LAFFEN GALLOWAY ARCHITECTS LTD SAFE HARBOR 401(K) PLAN**

EMPLOYER IDENTIFICATION NUMBER 45-0410459

PLAN NUMBER 001

FORM 5500 ANNUAL REPORT - SCHEDULE H, LINE 4(I) -  
SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2022

| (a)                                                   | (b)                                                                          | (c)  | (d)           | (e)                  |
|-------------------------------------------------------|------------------------------------------------------------------------------|------|---------------|----------------------|
| Identity of Issue                                     | Description of Investment                                                    | Cost | Current value |                      |
| Vanguard Target Retirement Income Fund                | Mutual fund                                                                  | *    | \$            | 436,761              |
| Vanguard Target Retirement 2025 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 4,448                |
| Vanguard Target Retirement 2035 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 361,549              |
| Vanguard Target Retirement 2045 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 814,940              |
| Vanguard Target Retirement 2065 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 24,231               |
| Vanguard Target Retirement 2020 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 45,469               |
| Vanguard Target Retirement 2060 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 67,709               |
| Vanguard Target Retirement 2055 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 527,214              |
| Vanguard Target Retirement 2050 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 70,825               |
| Vanguard Target Retirement 2040 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 685                  |
| Vanguard Target Retirement 2030 Fund Investor Shares  | Mutual fund                                                                  | *    |               | 105,530              |
| Dodge & Cox Income Fund                               | Mutual fund                                                                  | *    |               | 88,967               |
| Federated Hermes Instl High Yield Bond                | Mutual fund                                                                  | *    |               | 115,602              |
| Vanguard BD Index Fd Inc Interm-Term Admiral          | Mutual fund                                                                  | *    |               | 264,833              |
| Cohen & Steers Institutional Realty Shares            | Mutual fund                                                                  | *    |               | 126,509              |
| Fidelity Advisor Equity Growth Z                      | Mutual fund                                                                  | *    |               | 1,174,712            |
| Fidelity 500 Index Fund                               | Mutual fund                                                                  | *    |               | 1,712,752            |
| JP Morgan Mid Cap Growth R6                           | Mutual fund                                                                  | *    |               | 311,896              |
| MFS Mid Cap Value FD CL R6                            | Mutual fund                                                                  | *    |               | 464,091              |
| Vanguard Equity Income - Admiral                      | Mutual fund                                                                  | *    |               | 493,258              |
| Vanguard Small Cap Value Index Fund Admiral Shares    | Mutual fund                                                                  | *    |               | 92,851               |
| Vanguard Small Cap Growth Index Fund Admiral Shares   | Mutual fund                                                                  | *    |               | 213,429              |
| Vanguard Total Stock Market Index Fund Admiral Shares | Mutual fund                                                                  | *    |               | 1,394,221            |
| American Funds EuroPacific Growth Fund Class R6       | Mutual fund                                                                  | *    |               | 630,800              |
| American Funds New World Fund Class R6                | Mutual fund                                                                  | *    |               | 141,165              |
| Federated Hermes Capital Preservation Fund Class R6   | Collective trust fund                                                        | *    |               | 824,048              |
| ** Alerus Conservative Income Fund Direct Shares      | Collective trust fund                                                        | *    |               | 243,616              |
| ** Alerus Moderate Income Fund Direct Shares          | Collective trust fund                                                        | *    |               | 69,545               |
| ** Alerus Conservative Growth Fund Direct Shares      | Collective trust fund                                                        | *    |               | 128,314              |
| ** Alerus Moderate Growth Fund Direct Shares          | Collective trust fund                                                        | *    |               | 2,844,173            |
| ** Alerus Aggressive Growth Fund Direct Shares        | Collective trust fund                                                        | *    |               | 1,667,525            |
| ** Alerus Managed Strategies                          | Collective trust fund                                                        | *    |               | 230,975              |
| ** Alerus Managed Accounts                            | Various                                                                      | *    |               | 589                  |
| ** Notes Receivable from Participants                 | Promissory notes with interest rates of 3.25% - 9.5% with varying maturities | -    |               | 116,918              |
| Total                                                 |                                                                              |      |               | <u>\$ 15,810,150</u> |

\* Participant Directed Investment

\*\* A Party-In-Interest as defined by ERISA