

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2023

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

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

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 04/01/2023 and ending 03/31/2024

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan, check here... D Check box if filing under: [X] Form 5558 [] automatic extension... E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here...

Part II Basic Plan Information—enter all requested information

1a Name of plan: A-C ELECTRIC PROFIT SHARING COMPANY
1b Three-digit plan number (PN): 001
1c Effective date of plan: 06/30/1953
2a Plan sponsor's name (employer, if for a single-employer plan): A-C ELECTRIC COMPANY
2b Employer Identification Number (EIN): 95-1531419
2c Plan Sponsor's telephone number: 661-410-0000
2d Business code (see instructions): 238210

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

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

Form 5500 (2023) v. 230707

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	288
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	216
	6a(2)	198
	6b	0
	6c	87
	6d	285
	6e	0
	6f	285
	6g(1)	0
6g(2)	0	
6h	51	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E

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

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input checked="" type="checkbox"/> Insurance	(1) <input checked="" type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules	b General Schedules
(1) <input type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input checked="" type="checkbox"/> A (Insurance Information) – Number Attached <u> 2 </u>
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input type="checkbox"/> C (Service Provider Information)
(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**SCHEDULE A
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

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

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

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

OMB No. 1210-0110

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning **04/01/2023** and ending **03/31/2024**

A Name of plan A-C ELECTRIC PROFIT SHARING COMPANY		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 A-C ELECTRIC COMPANY		D Employer Identification Number (EIN) 95-1531419

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

1 Coverage Information:

(a) Name of insurance carrier
TRANSAMERICA LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
39-0989781	86231	33505	50	04/01/2023	03/31/2024

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
---	--------------------------------------

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

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

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b Premiums paid to carrier **6b**

c Premiums due but unpaid at the end of the year..... **6c**

d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
 Specify nature of costs ▶

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶

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

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

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year **7c(1)**
 (2) Dividends and credits **7c(2)**
 (3) Interest credited during the year **7c(3)**
 (4) Transferred from separate account..... **7c(4)**
 (5) Other (specify below) **7c(5)**
 ▶

(6) Total additions **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**) **7d**

e Deductions:
 (1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)**
 (2) Administration charge made by carrier **7e(2)**
 (3) Transferred to separate account..... **7e(3)**
 (4) Other (specify below) **7e(4)**
 ▶

(5) Total deductions **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f**

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

8 Benefit and contract type (check all applicable boxes)

- a** Health (other than dental or vision)
- b** Dental
- c** Vision
- d** Life insurance
- e** Temporary disability (accident and sickness)
- f** Long-term disability
- g** Supplemental unemployment
- h** Prescription drug
- i** Stop loss (large deductible)
- j** HMO contract
- k** PPO contract
- l** Indemnity contract
- m** Other (specify) ▶

9 Experience-rated contracts:

a	Premiums: (1) Amount received	9a(1)	
	(2) Increase (decrease) in amount due but unpaid.....	9a(2)	
	(3) Increase (decrease) in unearned premium reserve	9a(3)	
	(4) Earned ((1) + (2) - (3)).....		9a(4)
b	Benefit charges (1) Claims paid.....	9b(1)	
	(2) Increase (decrease) in claim reserves	9b(2)	
	(3) Incurred claims (add (1) and (2)).....		9b(3)
	(4) Claims charged		9b(4)
c	Remainder of premium: (1) Retention charges (on an accrual basis) --		
	(A) Commissions	9c(1)(A)	
	(B) Administrative service or other fees	9c(1)(B)	
	(C) Other specific acquisition costs	9c(1)(C)	
	(D) Other expenses	9c(1)(D)	
	(E) Taxes	9c(1)(E)	
	(F) Charges for risks or other contingencies.....	9c(1)(F)	
	(G) Other retention charges	9c(1)(G)	
	(H) Total retention		9c(1)(H)
	(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)		9c(2)
d	Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)
	(2) Claim reserves		9d(2)
	(3) Other reserves.....		9d(3)
e	Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e

10 Nonexperience-rated contracts:

a	Total premiums or subscription charges paid to carrier	10a	
b	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	

Specify nature of costs.

Part IV Provision of Information

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

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

NONE OF THE INFORMATION REQUIRED WAS PROVIDED TIMELY

**SCHEDULE A
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

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

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

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

OMB No. 1210-0110

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning **04/01/2023** and ending **03/31/2024**

A Name of plan A-C ELECTRIC PROFIT SHARING COMPANY		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 A-C ELECTRIC COMPANY		D Employer Identification Number (EIN) 95-1531419

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

1 Coverage Information:

(a) Name of insurance carrier
AMERICAN GENERAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
25-0598210	60488	50618	5	04/01/2023	03/31/2024

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
---	--------------------------------------

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

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

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

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

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

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

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	(c) Amount	(d) Purpose	

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

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

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

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

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

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

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b Premiums paid to carrier **6b**

c Premiums due but unpaid at the end of the year..... **6c**

d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
 Specify nature of costs ▶

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶

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

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

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year **7c(1)**
 (2) Dividends and credits **7c(2)**
 (3) Interest credited during the year **7c(3)**
 (4) Transferred from separate account..... **7c(4)**
 (5) Other (specify below) **7c(5)**
 ▶

(6) Total additions **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**) **7d**

e Deductions:
 (1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)**
 (2) Administration charge made by carrier **7e(2)**
 (3) Transferred to separate account..... **7e(3)**
 (4) Other (specify below) **7e(4)**
 ▶

(5) Total deductions **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f**

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

8 Benefit and contract type (check all applicable boxes)

- a** Health (other than dental or vision)
- b** Dental
- c** Vision
- d** Life insurance
- e** Temporary disability (accident and sickness)
- f** Long-term disability
- g** Supplemental unemployment
- h** Prescription drug
- i** Stop loss (large deductible)
- j** HMO contract
- k** PPO contract
- l** Indemnity contract
- m** Other (specify) ▶

9 Experience-rated contracts:

a	Premiums: (1) Amount received	9a(1)	
	(2) Increase (decrease) in amount due but unpaid.....	9a(2)	
	(3) Increase (decrease) in unearned premium reserve	9a(3)	
	(4) Earned ((1) + (2) - (3)).....		9a(4)
b	Benefit charges (1) Claims paid.....	9b(1)	
	(2) Increase (decrease) in claim reserves	9b(2)	
	(3) Incurred claims (add (1) and (2)).....		9b(3)
	(4) Claims charged		9b(4)
c	Remainder of premium: (1) Retention charges (on an accrual basis) --		
	(A) Commissions	9c(1)(A)	
	(B) Administrative service or other fees	9c(1)(B)	
	(C) Other specific acquisition costs	9c(1)(C)	
	(D) Other expenses	9c(1)(D)	
	(E) Taxes	9c(1)(E)	
	(F) Charges for risks or other contingencies.....	9c(1)(F)	
	(G) Other retention charges	9c(1)(G)	
	(H) Total retention		9c(1)(H)
	(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)		9c(2)
d	Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)
	(2) Claim reserves		9d(2)
	(3) Other reserves.....		9d(3)
e	Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e

10 Nonexperience-rated contracts:

a	Total premiums or subscription charges paid to carrier	10a	
b	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	

Specify nature of costs.

Part IV Provision of Information

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

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

NONE OF THE INFORMATION REQUIRED WAS PROVIDED TIMELY

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 04/01/2023 and ending 03/31/2024	
A Name of plan A-C ELECTRIC PROFIT SHARING COMPANY	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 A-C ELECTRIC COMPANY	D Employer Identification Number (EIN) 95-1531419

Part I	Asset and Liability Statement
---------------	--------------------------------------

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

Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a 56120	741546
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1) 360000	673971
(2) Participant contributions	1b(2)	
(3) Other	1b(3) 2890	48150
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1) 232312	423941
(2) U.S. Government securities	1c(2)	873460
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	2637013
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	
(B) Common	1c(4)(B) 24806	
(5) Partnership/joint venture interests	1c(5)	
(6) Real estate (other than employer real property)	1c(6)	
(7) Loans (other than to participants)	1c(7)	
(8) Participant loans	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	
(11) Value of interest in master trust investment accounts	1c(11)	
(12) Value of interest in 103-12 investment entities	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13) 4384305	
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14) 284966	253065
(15) Other	1c(15)	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	5345399	5651146
Liabilities			
g Benefit claims payable	1g	57155	286607
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	27141	322
k Total liabilities (add all amounts in lines 1g through 1j)	1k	84296	286929
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	5261103	5364217

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	673971	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		673971
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	3799	
(B) U.S. Government securities	2b(1)(B)	35846	
(C) Corporate debt instruments	2b(1)(C)	19339	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		58984
(2) Dividends:			
(A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	6051	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	63523	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		69574
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds	2b(4)(A)	6014397	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	5914881	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		99516
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-81735
c Other income	2c		13511
d Total income. Add all income amounts in column (b) and enter total	2d		833821

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	680186	
(2) To insurance carriers for the provision of benefits.....	2e(2)	33363	
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		713549
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	17158	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		17158
j Total expenses. Add all expense amounts in column (b) and enter total	2j		730707

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		103114
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) 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: **DANIELLS PHILLIPS VAUGHN BOCK**

(2) EIN: **95-2972229**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	X		267094
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

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 _____.

A-C ELECTRIC PROFIT SHARING PLAN

FINANCIAL REPORT
March 31, 2024

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
------------------------------	-----

FINANCIAL STATEMENTS

Statements of net assets available for benefits	3
Statement of changes in net assets available for benefits	4
Notes to financial statements	5-8

SUPPLEMENTAL SCHEDULES

Schedule H, line 4i – Schedule of assets (held at end of year)	9
Schedule H, line 4j – Schedule of reportable transactions	10

PATRICK W. PAGGI

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee
A-C Electric Profit-Sharing Plan
Bakersfield, California

Opinion

We have audited the financial statements of **A-C Electric Profit-Sharing Plan** (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of March 31, 2024 and 2023, the related statement of changes in net assets available for benefits for the year ended March 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of March 31, 2024 and 2023, and the changes in its net assets available for benefits for the year ended March 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

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 Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

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

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 the 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 the Plan's ability to continue as a going concern for a reasonable period of time.

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.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule H, line 4i - Schedule of assets (held at end of year) and Schedule H, line 4j – Schedule of reportable transactions as of and for the year ended March 31, 2024 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's (DOL'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 has been subjected to the auditing procedures applied in the audits 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.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Daniells Phillips Vaughan & Bock

Bakersfield, California
January 9, 2025

A-C ELECTRIC PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS March 31, 2024 and 2023

	2024	2023
ASSETS		
Cash	\$ 1,165,487	\$ 288,431
Investments at fair value (Note 3)	3,777,567	4,696,832
Employer contribution receivable	673,971	360,000
Other receivables	34,121	135
Total assets	<u>5,651,146</u>	<u>5,345,398</u>
LIABILITIES		
Accrued expenses	322	27,141
Net assets available for benefits	<u>\$ 5,650,824</u>	<u>\$ 5,318,257</u>

See Notes to Financial Statements.

A-C ELECTRIC PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS Year Ended March 31, 2024

Additions:

Investment income:

Net appreciation in fair value of investments

\$ 14,135

Dividends

128,558

142,693

Contributions:

Employer

673,971

Total additions

816,664

Deductions:

Benefits paid to participants

450,734

Life insurance premiums

33,363

Total deductions

484,097

Net increase

332,567

Net assets available for benefits:

Beginning of year

5,318,257

End of year

\$ 5,650,824

See Notes to Financial Statements.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of Plan

The following description of the A-C Electric (“Company”) Profit Sharing Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General: The Plan is a defined contribution plan covering all employees of the Company who have completed at least 1,000 hours of service within 12 months from hire date and are age 21 or older. The Plan is subject to the provisions of ERISA. The trustees are responsible for oversight of the Plan. They determine the appropriateness of the Plan’s investment offerings, make investment decisions and monitor investment performance.

Contributions: Each year, the Company makes discretionary contributions to the Plan at the option of the Company’s board of directors and are invested in a portfolio of investments as directed by the Company. Participant contributions are not allowed. Contributions are subject to certain IRS limitations.

Participant accounts: Each participant’s account is credited with an allocation of Plan earnings or loss, and charged with their individual life insurance premiums. Active participants’ accounts are credited with an allocation of the Company’s contribution and forfeitures of terminated participants’ non-vested accounts. Allocation of the Company’s contribution and forfeitures is based upon length of service and compensation, and allocation of earnings or loss is based upon account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting: Vesting is based on length of service. A participant is 100 percent vested after six years of credited service.

Payment of benefits: On termination of service a participant may elect to receive an amount equal to the value of the participant’s vested interest in his or her account in either a lump-sum amount, or in monthly or yearly amounts as determined by the participant.

Life insurance: The Plan allows the participants to purchase life insurance with the premiums to be paid from their accounts. The maximum amount of life insurance that can be purchased is equal to the lesser of one year’s compensation or \$60,000.

Forfeited accounts: At March 31, 2024 and 2023, forfeited non-vested accounts totaled \$53,256 and \$17,589, respectively. These accounts will be reallocated to active participants in the same manner as employer contributions.

Note 2. Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared using the accrual basis of accounting.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein. 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 trustees determine the Plan’s valuation policies utilizing information provided by the investment advisers and insurance company. See Note 3 for discussion of fair value measurements.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits: Benefits are recorded when paid.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent events: The Plan has evaluated subsequent events through January 9, 2025, the date the financial statements were available to be issued. No events were identified which would require disclosure in the financial statements.

Note 3. Fair Value Measurements

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

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

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 March 31, 2024 and 2023.

Common stocks, corporate bonds, and U.S. agency bonds: Valued at the closing price reported on the active market on which the individual securities are traded.

Cash value of life insurance: Valued based upon the amount that would be received upon surrender as reported by the insurance company.

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 and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2024 and 2023:

	Assets at Fair Value as of March 31, 2024			
	Level 1	Level 2	Level 3	Total
Debt securities				
Corporate bonds	\$ -	\$ 2,637,013	\$ -	\$ 2,637,013
U.S. agencies	-	873,460	-	873,460
Cash value of life insurance	-	-	267,094	267,094
Investments at fair value	\$ -	\$ 3,510,473	\$ 267,094	\$ 3,777,567

	Assets at Fair Value as of March 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 4,314,683	\$ -	\$ -	\$ 4,314,683
Common stocks	94,429	-	-	94,429
Cash value of life insurance	-	-	287,720	287,720
Investments at fair value	\$ 4,409,112	\$ -	\$ 287,720	\$ 4,696,832

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended March 31, 2024:

March 31, 2024	Cash value of life insurance
Balance, beginning of year	\$ 287,720
Unrealized (loss) relating to instruments still held at the reporting date	(13,511)
Purchases, sales, issuances and settlements (net)	(7,115)
Balance, end of year	\$ 267,094

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Plan's level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

Instrument	Fair Value at March 31, 2024	Fair Value at March 31, 2023	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Cash value of life insurance	\$ 267,094	\$ 287,720	Cash surrender value	Reported surrender value	N/A	No

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 4. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such a manner as the Company may determine.

Note 5. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust are tax-exempt.

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

Note 6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. 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 7. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at March 31, 2024 and 2023 to Form 5500:

	2024	2023
Net assets available for benefits per the financial statements	\$ 5,650,824	\$ 5,318,257
Amounts allocated to withdrawing participants	(286,607)	(57,155)
Net assets available for benefits per the Form 5500	<u>\$ 5,364,217</u>	<u>\$ 5,261,102</u>

The following is a reconciliation of benefits paid to participants per the financial statements for the year ended March 31, 2024, to Form 5500:

Benefits paid to participants per the financial statements	\$ 450,734
Add: Amounts allocated to withdrawing participants at March 31, 2024	286,607
Less: Amounts allocated to withdrawing participants at March 31, 2023	(57,155)
Benefits paid to participants per Form 5500	<u>\$ 680,186</u>

SUPPLEMENTAL SCHEDULES

A-C ELECTRIC PROFIT SHARING PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) March 31, 2024

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Fair Value
Corporate Bonds:			
Burlington Northern Santa Fe Railway	3.75%, matures April 2024	\$ 248,330	\$ 250,000
Walmart Inc.	3.30%, matures April 2024	494,922	499,370
Amazon.com Inc.	0.45%, matures May 2024	243,405	248,523
CostCo Wholesale Corporation	2.75%, matures May 2024	246,472	249,078
UBS AG	5.60%, matures June 2024	199,836	199,099
Amazon.com Inc.	2.80%, matures August 2024	197,524	197,930
Southern California Gas Co.	3.15%, matures September 2024	292,583	296,508
Amazon.com Inc.	4.70%, matures November 2024	498,290	498,370
J.P. Morgan Chase	5.70%, matures November 2024	199,820	198,135
U.S. Agencies:			
Federal Farm Credit Bank	4.25%, matures September 2024	124,331	124,411
Federal Home Loan Bank	5.00%, matures September 2024	299,553	299,949
Federal Home Loan Bank	5.00%, matures July 2025	449,908	449,100
Cash Surrender Value of Life Insurance:			
American General Life Insurance Company and Transamerica Assurance Company		189,832	267,094
Cash:			
JW Cole	Money Market Instruments	423,941	423,941
Mission Bank	Checking	741,546	741,546
		<u>\$4,850,293</u>	<u>\$ 4,943,054</u>

A-C ELECTRIC PROFIT SHARING PLAN

**SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended March 31, 2024**

(a) Identify of party involved	(b) Description of asset	(c) Purchase price	(d) Selling price	(e) Cost of asset	(f) Current value of asset on transaction date	(g) Net gain (loss)
Bruce Fund, Inc.	Mutual fund	\$ -	\$ 802,863	\$ 736,594	\$ 802,863	\$ 66,269
Transamerica Short Term Bond CL I Value Class A	Mutual fund	-	2,701,362	2,712,402	2,712,402	(11,040)
Southern California Gas Company	Corporate bond	292,583	-	292,583	-	-
Amazon.com Inc.	Corporate bond	498,290	-	498,290	-	-
Federal Home Loan BA SER IM-8025	Agency bond	449,908	-	449,908	-	-
Federal Home Loan BA SER QP-8024	Agency bond	299,553	-	299,553	-	-
United States Treasury Maturity 1/18/2024	U.S. Treasury bill	390,881	-	390,881	-	-
United States Treasury Maturity 3/28/2024	U.S. Treasury bill	394,935	-	394,935	-	-
Walmart Inc.	Corporate bond	494,922	-	494,922	-	-

A-C ELECTRIC PROFIT SHARING PLAN

FINANCIAL REPORT
March 31, 2024

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
------------------------------	-----

FINANCIAL STATEMENTS

Statements of net assets available for benefits	3
Statement of changes in net assets available for benefits	4
Notes to financial statements	5-8

SUPPLEMENTAL SCHEDULES

Schedule H, line 4i – Schedule of assets (held at end of year)	9
Schedule H, line 4j – Schedule of reportable transactions	10

PATRICK W. PAGGI

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee
A-C Electric Profit-Sharing Plan
Bakersfield, California

Opinion

We have audited the financial statements of **A-C Electric Profit-Sharing Plan** (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of March 31, 2024 and 2023, the related statement of changes in net assets available for benefits for the year ended March 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of March 31, 2024 and 2023, and the changes in its net assets available for benefits for the year ended March 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

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 Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

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

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 the 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 the Plan's ability to continue as a going concern for a reasonable period of time.

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.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule H, line 4i - Schedule of assets (held at end of year) and Schedule H, line 4j – Schedule of reportable transactions as of and for the year ended March 31, 2024 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's (DOL'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 has been subjected to the auditing procedures applied in the audits 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.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Daniells Phillips Vaughan & Bock

Bakersfield, California
January 9, 2025

A-C ELECTRIC PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS March 31, 2024 and 2023

	2024	2023
ASSETS		
Cash	\$ 1,165,487	\$ 288,431
Investments at fair value (Note 3)	3,777,567	4,696,832
Employer contribution receivable	673,971	360,000
Other receivables	34,121	135
Total assets	<u>5,651,146</u>	<u>5,345,398</u>
LIABILITIES		
Accrued expenses	322	27,141
Net assets available for benefits	<u>\$ 5,650,824</u>	<u>\$ 5,318,257</u>

See Notes to Financial Statements.

A-C ELECTRIC PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS Year Ended March 31, 2024

Additions:

Investment income:

Net appreciation in fair value of investments

\$ 14,135

Dividends

128,558

142,693

Contributions:

Employer

673,971

Total additions

816,664

Deductions:

Benefits paid to participants

450,734

Life insurance premiums

33,363

Total deductions

484,097

Net increase

332,567

Net assets available for benefits:

Beginning of year

5,318,257

End of year

\$ 5,650,824

See Notes to Financial Statements.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of Plan

The following description of the A-C Electric (“Company”) Profit Sharing Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General: The Plan is a defined contribution plan covering all employees of the Company who have completed at least 1,000 hours of service within 12 months from hire date and are age 21 or older. The Plan is subject to the provisions of ERISA. The trustees are responsible for oversight of the Plan. They determine the appropriateness of the Plan’s investment offerings, make investment decisions and monitor investment performance.

Contributions: Each year, the Company makes discretionary contributions to the Plan at the option of the Company’s board of directors and are invested in a portfolio of investments as directed by the Company. Participant contributions are not allowed. Contributions are subject to certain IRS limitations.

Participant accounts: Each participant’s account is credited with an allocation of Plan earnings or loss, and charged with their individual life insurance premiums. Active participants’ accounts are credited with an allocation of the Company’s contribution and forfeitures of terminated participants’ non-vested accounts. Allocation of the Company’s contribution and forfeitures is based upon length of service and compensation, and allocation of earnings or loss is based upon account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting: Vesting is based on length of service. A participant is 100 percent vested after six years of credited service.

Payment of benefits: On termination of service a participant may elect to receive an amount equal to the value of the participant’s vested interest in his or her account in either a lump-sum amount, or in monthly or yearly amounts as determined by the participant.

Life insurance: The Plan allows the participants to purchase life insurance with the premiums to be paid from their accounts. The maximum amount of life insurance that can be purchased is equal to the lesser of one year’s compensation or \$60,000.

Forfeited accounts: At March 31, 2024 and 2023, forfeited non-vested accounts totaled \$53,256 and \$17,589, respectively. These accounts will be reallocated to active participants in the same manner as employer contributions.

Note 2. Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared using the accrual basis of accounting.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein. 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 trustees determine the Plan’s valuation policies utilizing information provided by the investment advisers and insurance company. See Note 3 for discussion of fair value measurements.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits: Benefits are recorded when paid.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent events: The Plan has evaluated subsequent events through January 9, 2025, the date the financial statements were available to be issued. No events were identified which would require disclosure in the financial statements.

Note 3. Fair Value Measurements

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

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

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 March 31, 2024 and 2023.

Common stocks, corporate bonds, and U.S. agency bonds: Valued at the closing price reported on the active market on which the individual securities are traded.

Cash value of life insurance: Valued based upon the amount that would be received upon surrender as reported by the insurance company.

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 and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2024 and 2023:

	Assets at Fair Value as of March 31, 2024			
	Level 1	Level 2	Level 3	Total
Debt securities				
Corporate bonds	\$ -	\$ 2,637,013	\$ -	\$ 2,637,013
U.S. agencies	-	873,460	-	873,460
Cash value of life insurance	-	-	267,094	267,094
Investments at fair value	\$ -	\$ 3,510,473	\$ 267,094	\$ 3,777,567

	Assets at Fair Value as of March 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 4,314,683	\$ -	\$ -	\$ 4,314,683
Common stocks	94,429	-	-	94,429
Cash value of life insurance	-	-	287,720	287,720
Investments at fair value	\$ 4,409,112	\$ -	\$ 287,720	\$ 4,696,832

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended March 31, 2024:

March 31, 2024	Cash value of life insurance
Balance, beginning of year	\$ 287,720
Unrealized (loss) relating to instruments still held at the reporting date	(13,511)
Purchases, sales, issuances and settlements (net)	(7,115)
Balance, end of year	\$ 267,094

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Plan's level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

Instrument	Fair Value at March 31, 2024	Fair Value at March 31, 2023	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Cash value of life insurance	\$ 267,094	\$ 287,720	Cash surrender value	Reported surrender value	N/A	No

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 4. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such a manner as the Company may determine.

Note 5. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust are tax-exempt.

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

Note 6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. 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 7. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at March 31, 2024 and 2023 to Form 5500:

	2024	2023
Net assets available for benefits per the financial statements	\$ 5,650,824	\$ 5,318,257
Amounts allocated to withdrawing participants	(286,607)	(57,155)
Net assets available for benefits per the Form 5500	<u>\$ 5,364,217</u>	<u>\$ 5,261,102</u>

The following is a reconciliation of benefits paid to participants per the financial statements for the year ended March 31, 2024, to Form 5500:

Benefits paid to participants per the financial statements	\$ 450,734
Add: Amounts allocated to withdrawing participants at March 31, 2024	286,607
Less: Amounts allocated to withdrawing participants at March 31, 2023	(57,155)
Benefits paid to participants per Form 5500	<u>\$ 680,186</u>

SUPPLEMENTAL SCHEDULES

A-C ELECTRIC PROFIT SHARING PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

March 31, 2024

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Fair Value
Corporate Bonds:			
Burlington Northern Santa Fe Railway	3.75%, matures April 2024	\$ 248,330	\$ 250,000
Walmart Inc.	3.30%, matures April 2024	494,922	499,370
Amazon.com Inc.	0.45%, matures May 2024	243,405	248,523
CostCo Wholesale Corporation	2.75%, matures May 2024	246,472	249,078
UBS AG	5.60%, matures June 2024	199,836	199,099
Amazon.com Inc.	2.80%, matures August 2024	197,524	197,930
Southern California Gas Co.	3.15%, matures September 2024	292,583	296,508
Amazon.com Inc.	4.70%, matures November 2024	498,290	498,370
J.P. Morgan Chase	5.70%, matures November 2024	199,820	198,135
U.S. Agencies:			
Federal Farm Credit Bank	4.25%, matures September 2024	124,331	124,411
Federal Home Loan Bank	5.00%, matures September 2024	299,553	299,949
Federal Home Loan Bank	5.00%, matures July 2025	449,908	449,100
Cash Surrender Value of Life Insurance:			
American General Life Insurance Company and Transamerica Assurance Company		189,832	267,094
Cash:			
JW Cole	Money Market Instruments	423,941	423,941
Mission Bank	Checking	741,546	741,546
		<u>\$4,850,293</u>	<u>\$ 4,943,054</u>

A-C ELECTRIC PROFIT SHARING PLAN

**SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended March 31, 2024**

(a) Identify of party involved	(b) Description of asset	(c) Purchase price	(d) Selling price	(e) Cost of asset	(f) Current value of asset on transaction date	(g) Net gain (loss)
Bruce Fund, Inc.	Mutual fund	\$ -	\$ 802,863	\$ 736,594	\$ 802,863	\$ 66,269
Transamerica Short Term Bond CL I Value Class A	Mutual fund	-	2,701,362	2,712,402	2,712,402	(11,040)
Southern California Gas Company	Corporate bond	292,583	-	292,583	-	-
Amazon.com Inc.	Corporate bond	498,290	-	498,290	-	-
Federal Home Loan BA SER IM-8025	Agency bond	449,908	-	449,908	-	-
Federal Home Loan BA SER QP-8024	Agency bond	299,553	-	299,553	-	-
United States Treasury Maturity 1/18/2024	U.S. Treasury bill	390,881	-	390,881	-	-
United States Treasury Maturity 3/28/2024	U.S. Treasury bill	394,935	-	394,935	-	-
Walmart Inc.	Corporate bond	494,922	-	494,922	-	-

A-C ELECTRIC PROFIT SHARING PLAN

FINANCIAL REPORT
March 31, 2024

CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
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FINANCIAL STATEMENTS

Statements of net assets available for benefits	3
Statement of changes in net assets available for benefits	4
Notes to financial statements	5-8

SUPPLEMENTAL SCHEDULES

Schedule H, line 4i – Schedule of assets (held at end of year)	9
Schedule H, line 4j – Schedule of reportable transactions	10

PATRICK W. PAGGI

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee
A-C Electric Profit-Sharing Plan
Bakersfield, California

Opinion

We have audited the financial statements of **A-C Electric Profit-Sharing Plan** (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of March 31, 2024 and 2023, the related statement of changes in net assets available for benefits for the year ended March 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of March 31, 2024 and 2023, and the changes in its net assets available for benefits for the year ended March 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

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 Audit of the Financial Statements section of our report. We are required to be independent of the 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 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.

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

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 the 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 the Plan's ability to continue as a going concern for a reasonable period of time.

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.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule H, line 4i - Schedule of assets (held at end of year) and Schedule H, line 4j – Schedule of reportable transactions as of and for the year ended March 31, 2024 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's (DOL'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 has been subjected to the auditing procedures applied in the audits 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.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Daniells Phillips Vaughan & Bock

Bakersfield, California
January 9, 2025

A-C ELECTRIC PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS March 31, 2024 and 2023

	2024	2023
ASSETS		
Cash	\$ 1,165,487	\$ 288,431
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Accrued expenses	322	27,141
Net assets available for benefits	<u>\$ 5,650,824</u>	<u>\$ 5,318,257</u>

See Notes to Financial Statements.

A-C ELECTRIC PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS Year Ended March 31, 2024

Additions:

Investment income:

Net appreciation in fair value of investments

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Dividends

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142,693

Contributions:

Employer

673,971

Total additions

816,664

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484,097

Net increase

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Net assets available for benefits:

Beginning of year

5,318,257

End of year

\$ 5,650,824

See Notes to Financial Statements.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of Plan

The following description of the A-C Electric (“Company”) Profit Sharing Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General: The Plan is a defined contribution plan covering all employees of the Company who have completed at least 1,000 hours of service within 12 months from hire date and are age 21 or older. The Plan is subject to the provisions of ERISA. The trustees are responsible for oversight of the Plan. They determine the appropriateness of the Plan’s investment offerings, make investment decisions and monitor investment performance.

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Participant accounts: Each participant’s account is credited with an allocation of Plan earnings or loss, and charged with their individual life insurance premiums. Active participants’ accounts are credited with an allocation of the Company’s contribution and forfeitures of terminated participants’ non-vested accounts. Allocation of the Company’s contribution and forfeitures is based upon length of service and compensation, and allocation of earnings or loss is based upon account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting: Vesting is based on length of service. A participant is 100 percent vested after six years of credited service.

Payment of benefits: On termination of service a participant may elect to receive an amount equal to the value of the participant’s vested interest in his or her account in either a lump-sum amount, or in monthly or yearly amounts as determined by the participant.

Life insurance: The Plan allows the participants to purchase life insurance with the premiums to be paid from their accounts. The maximum amount of life insurance that can be purchased is equal to the lesser of one year’s compensation or \$60,000.

Forfeited accounts: At March 31, 2024 and 2023, forfeited non-vested accounts totaled \$53,256 and \$17,589, respectively. These accounts will be reallocated to active participants in the same manner as employer contributions.

Note 2. Significant Accounting Policies

Basis of accounting: The financial statements of the Plan are prepared using the accrual basis of accounting.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein. 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 trustees determine the Plan’s valuation policies utilizing information provided by the investment advisers and insurance company. See Note 3 for discussion of fair value measurements.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

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Expenses: Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent events: The Plan has evaluated subsequent events through January 9, 2025, the date the financial statements were available to be issued. No events were identified which would require disclosure in the financial statements.

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

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

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 March 31, 2024 and 2023.

Common stocks, corporate bonds, and U.S. agency bonds: Valued at the closing price reported on the active market on which the individual securities are traded.

Cash value of life insurance: Valued based upon the amount that would be received upon surrender as reported by the insurance company.

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 and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2024 and 2023:

	Assets at Fair Value as of March 31, 2024			
	Level 1	Level 2	Level 3	Total
Debt securities				
Corporate bonds	\$ -	\$ 2,637,013	\$ -	\$ 2,637,013
U.S. agencies	-	873,460	-	873,460
Cash value of life insurance	-	-	267,094	267,094
Investments at fair value	\$ -	\$ 3,510,473	\$ 267,094	\$ 3,777,567

	Assets at Fair Value as of March 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 4,314,683	\$ -	\$ -	\$ 4,314,683
Common stocks	94,429	-	-	94,429
Cash value of life insurance	-	-	287,720	287,720
Investments at fair value	\$ 4,409,112	\$ -	\$ 287,720	\$ 4,696,832

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended March 31, 2024:

March 31, 2024	Cash value of life insurance
Balance, beginning of year	\$ 287,720
Unrealized (loss) relating to instruments still held at the reporting date	(13,511)
Purchases, sales, issuances and settlements (net)	(7,115)
Balance, end of year	\$ 267,094

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Plan's level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

Instrument	Fair Value at March 31, 2024	Fair Value at March 31, 2023	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Cash value of life insurance	\$ 267,094	\$ 287,720	Cash surrender value	Reported surrender value	N/A	No

A-C ELECTRIC PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

Note 4. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts. Any unallocated assets of the Plan shall be allocated to participant accounts and distributed in such a manner as the Company may determine.

Note 5. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust are tax-exempt.

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

Note 6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. 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 7. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at March 31, 2024 and 2023 to Form 5500:

	2024	2023
Net assets available for benefits per the financial statements	\$ 5,650,824	\$ 5,318,257
Amounts allocated to withdrawing participants	(286,607)	(57,155)
Net assets available for benefits per the Form 5500	<u>\$ 5,364,217</u>	<u>\$ 5,261,102</u>

The following is a reconciliation of benefits paid to participants per the financial statements for the year ended March 31, 2024, to Form 5500:

Benefits paid to participants per the financial statements	\$ 450,734
Add: Amounts allocated to withdrawing participants at March 31, 2024	286,607
Less: Amounts allocated to withdrawing participants at March 31, 2023	(57,155)
Benefits paid to participants per Form 5500	<u>\$ 680,186</u>

SUPPLEMENTAL SCHEDULES

A-C ELECTRIC PROFIT SHARING PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

March 31, 2024

Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Fair Value
Corporate Bonds:			
Burlington Northern Santa Fe Railway	3.75%, matures April 2024	\$ 248,330	\$ 250,000
Walmart Inc.	3.30%, matures April 2024	494,922	499,370
Amazon.com Inc.	0.45%, matures May 2024	243,405	248,523
CostCo Wholesale Corporation	2.75%, matures May 2024	246,472	249,078
UBS AG	5.60%, matures June 2024	199,836	199,099
Amazon.com Inc.	2.80%, matures August 2024	197,524	197,930
Southern California Gas Co.	3.15%, matures September 2024	292,583	296,508
Amazon.com Inc.	4.70%, matures November 2024	498,290	498,370
J.P. Morgan Chase	5.70%, matures November 2024	199,820	198,135
U.S. Agencies:			
Federal Farm Credit Bank	4.25%, matures September 2024	124,331	124,411
Federal Home Loan Bank	5.00%, matures September 2024	299,553	299,949
Federal Home Loan Bank	5.00%, matures July 2025	449,908	449,100
Cash Surrender Value of Life Insurance:			
American General Life Insurance Company and Transamerica Assurance Company		189,832	267,094
Cash:			
JW Cole	Money Market Instruments	423,941	423,941
Mission Bank	Checking	741,546	741,546
		<u>\$4,850,293</u>	<u>\$ 4,943,054</u>

A-C ELECTRIC PROFIT SHARING PLAN

**SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Year Ended March 31, 2024**

(a) Identify of party involved	(b) Description of asset	(c) Purchase price	(d) Selling price	(e) Cost of asset	(f) Current value of asset on transaction date	(g) Net gain (loss)
Bruce Fund, Inc.	Mutual fund	\$ -	\$ 802,863	\$ 736,594	\$ 802,863	\$ 66,269
Transamerica Short Term Bond CL I Value Class A	Mutual fund	-	2,701,362	2,712,402	2,712,402	(11,040)
Southern California Gas Company	Corporate bond	292,583	-	292,583	-	-
Amazon.com Inc.	Corporate bond	498,290	-	498,290	-	-
Federal Home Loan BA SER IM-8025	Agency bond	449,908	-	449,908	-	-
Federal Home Loan BA SER QP-8024	Agency bond	299,553	-	299,553	-	-
United States Treasury Maturity 1/18/2024	U.S. Treasury bill	390,881	-	390,881	-	-
United States Treasury Maturity 3/28/2024	U.S. Treasury bill	394,935	-	394,935	-	-
Walmart Inc.	Corporate bond	494,922	-	494,922	-	-