

<p style="text-align: center;"><b>Form 5500</b></p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p>	<p><b>Annual Return/Report of Employee Benefit Plan</b></p> <p style="font-size: x-small;">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).</p> <p style="text-align: center;"><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b></p>	<p style="font-size: x-small;">OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: large; font-weight: bold; text-align: center;">2023</p> <hr/> <p style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</p>
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**Part I Annual Report Identification Information**  
 For calendar plan year 2023 or fiscal plan year beginning 08/01/2023 and ending 07/31/2024

**A** This return/report is for:  a multiemployer plan  a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

a single-employer plan  a DFE (specify) \_\_\_\_\_

**B** This return/report is:  the first return/report  the final return/report

an amended return/report  a short plan year return/report (less than 12 months)

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

**D** Check box if filing under:  Form 5558  automatic extension  the DFVC program

special extension (enter description)

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

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

<p><b>1a</b> Name of plan  <u>JOHNSON, FINCH &amp; MCCLURE CONSTRUCTION, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u></p>	<p><b>1b</b> Three-digit plan number (PN) ▶ <u>002</u></p>
<p><b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)          Mailing address (include room, apt., suite no. and street, or P.O. Box)          City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)  <u>JOHNSON, FINCH &amp; MCCLURE CONSTRUCTION, INC.</u></p> <p><u>SCOTT MCCLURE</u>  <u>9749 CACTUS STREET</u>  <u>LAKESIDE, CA 92040</u></p>	<p><b>1c</b> Effective date of plan  <u>08/01/2018</u></p> <p><b>2b</b> Employer Identification Number (EIN)  <u>95-3206100</u></p> <p><b>2c</b> Plan Sponsor's telephone number  <u>619-938-9727</u></p> <p><b>2d</b> Business code (see instructions)  <u>238900</u></p>

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	05/15/2025	SCOTT MCCLURE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE

<p><b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor</p> <p>ADMINISTRATIVE COMMITTEE OF JOHNSON, FINCH &amp; MCCLURE CONST. INC. ESOP                  SCOTT MCCLURE                  9749 CACTUS STREET                  LAKESIDE, CA 92040</p>	<p><b>3b</b> Administrator's EIN 84-2019120</p> <p><b>3c</b> Administrator's telephone number 619-938-9727</p>																				
<p><b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:</p> <p><b>a</b> Sponsor's name <b>c</b> Plan Name</p>	<p><b>4b</b> EIN</p> <p><b>4d</b> PN</p>																				
<p><b>5</b> Total number of participants at the beginning of the plan year</p>	<p><b>5</b> 200</p>																				
<p><b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b>, <b>6a(2)</b>, <b>6b</b>, <b>6c</b>, and <b>6d</b>).</p> <p><b>a(1)</b> Total number of active participants at the beginning of the plan year .....</p> <p><b>a(2)</b> Total number of active participants at the end of the plan year .....</p> <p><b>b</b> Retired or separated participants receiving benefits .....</p> <p><b>c</b> Other retired or separated participants entitled to future benefits .....</p> <p><b>d</b> Subtotal. Add lines <b>6a(2)</b>, <b>6b</b>, and <b>6c</b> .....</p> <p><b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits .....</p> <p><b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....</p> <p><b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) .....</p> <p><b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....</p> <p><b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td><b>6a(1)</b></td><td style="text-align: right;">91</td></tr> <tr><td><b>6a(2)</b></td><td style="text-align: right;">91</td></tr> <tr><td><b>6b</b></td><td style="text-align: right;">1</td></tr> <tr><td><b>6c</b></td><td style="text-align: right;">144</td></tr> <tr><td><b>6d</b></td><td style="text-align: right;">236</td></tr> <tr><td><b>6e</b></td><td style="text-align: right;">1</td></tr> <tr><td><b>6f</b></td><td style="text-align: right;">237</td></tr> <tr><td><b>6g(1)</b></td><td style="text-align: right;">237</td></tr> <tr><td><b>6g(2)</b></td><td style="text-align: right;">237</td></tr> <tr><td><b>6h</b></td><td style="text-align: right;">5</td></tr> </table>	<b>6a(1)</b>	91	<b>6a(2)</b>	91	<b>6b</b>	1	<b>6c</b>	144	<b>6d</b>	236	<b>6e</b>	1	<b>6f</b>	237	<b>6g(1)</b>	237	<b>6g(2)</b>	237	<b>6h</b>	5
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<b>6g(1)</b>	237																				
<b>6g(2)</b>	237																				
<b>6h</b>	5																				
<p><b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....</p>	<p><b>7</b></p>																				

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

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

<p><b>9a</b> Plan funding arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input checked="" type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>	<p><b>9b</b> Plan benefit arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input checked="" type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<p><b>a Pension Schedules</b></p> <p>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)</p> <p>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</p> <p>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</p> <p>(4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____</p> <p>(5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)</p>	<p><b>b General Schedules</b></p> <p>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)</p> <p>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)</p> <p>(3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached <u>  0  </u></p> <p>(4) <input type="checkbox"/> <b>C</b> (Service Provider Information)</p> <p>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)</p> <p>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)</p>
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**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

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**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.

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

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**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 \_\_\_\_\_

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<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2023</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2023 or fiscal plan year beginning **08/01/2023** and ending **07/31/2024**

<b>A</b> Name of plan <b>JOHNSON, FINCH &amp; MCCLURE CONSTRUCTION, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</b>	<b>B</b> Three-digit plan number (PN) ▶	<b>002</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>JOHNSON, FINCH &amp; MCCLURE CONSTRUCTION, INC.</b>	<b>D</b> Employer Identification Number (EIN) <b>95-3206100</b>	

<b>Part I</b>	<b>Asset and Liability Statement</b>
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**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.

		(a) Beginning of Year	(b) End of Year
<b>Assets</b>			
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	100	100
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>		
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>		
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>		
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>		
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>		
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....	<b>1c(14)</b>		
<b>(15)</b> Other .....	<b>1c(15)</b>		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	1d(1)	4265600	4598850
(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	4265700	4598950
<b>Liabilities</b>			
g Benefit claims payable .....	1g		
h Operating payables .....	1h		
i Acquisition indebtedness .....	1i	20602740	19796641
j Other liabilities .....	1j		
k Total liabilities (add all amounts in lines 1g through 1j) .....	1k	20602740	19796641
<b>Net Assets</b>			
l Net assets (subtract line 1k from line 1f) .....	1l	-16337040	-15197691

**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.

<b>Income</b>		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: (A) Employers .....	2a(1)(A)	1815025	
(B) Participants .....	2a(1)(B)		
(C) Others (including rollovers) .....	2a(1)(C)		
(2) Noncash contributions .....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2) .....	2a(3)		1815025
<b>b Earnings on investments:</b>			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit) .....	2b(1)(A)		
(B) U.S. Government securities .....	2b(1)(B)		
(C) Corporate debt instruments .....	2b(1)(C)		
(D) Loans (other than to participants) .....	2b(1)(D)		
(E) Participant loans .....	2b(1)(E)		
(F) Other .....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F) .....	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock .....	2b(2)(A)		
(B) Common stock .....	2b(2)(B)	209210	
(C) Registered investment company shares (e.g. mutual funds) .....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C) .....	2b(2)(D)		209210
(3) Rents .....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds .....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions) .....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result .....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate .....	2b(5)(A)		
(B) Other .....	2b(5)(B)	333250	
(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)		
<b>c</b> Other income.....	2c		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	2d		2357485

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	3900	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		3900
<b>f</b> Corrective distributions (see instructions).....	2f		
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	2g		
<b>h</b> Interest expense.....	2h		1214236
<b>i</b> 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)		
(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)		0
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	2j		1218136

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line 2j from line 2d.....	2k		1139349
<b>l</b> 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: EIDE BAILLY, LLP

(2) EIN: 45-0250958

**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
<b>a</b> 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>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
<b>e</b> Was this plan covered by a fidelity bond?	X		1000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

**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.)

<b>5b(1)</b> Name of plan(s)	<b>5b(2)</b> EIN(s)	<b>5b(3)</b> 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 \_\_\_\_\_.

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2023</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2023 or fiscal plan year beginning 08/01/2023 and ending 07/31/2024

<b>A</b> Name of plan <u>JOHNSON, FINCH &amp; MCCLURE CONSTRUCTION, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>002</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>JOHNSON, FINCH &amp; MCCLURE CONSTRUCTION, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>95-3206100</u>	

<b>Part I</b>	<b>Distributions</b>
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**All references to distributions relate only to payments of benefits during the plan year.**

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
---	---	---

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  
EIN(s): 84-2019120

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

<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....	3	
--	---	--

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_  
**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	6a	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	6b	
<b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) .....	6c	

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

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

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

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

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....  Yes  No

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

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

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

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

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

**a** Name of contributing employer \_\_\_\_\_

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

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

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

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

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

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

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

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

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

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

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

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

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

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

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer \_\_\_\_\_

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

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

**e** Contribution rate information (If more than one rate applies, check this box  and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

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

<b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment) .....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....	<b>14b</b>	
<b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14c</b>	

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

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

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

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

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

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

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

**19** If the total number of participants is 1,000 or more, complete lines (a) and (b):

**a** Enter the percentage of plan assets held as:  
 Public Equity: \_\_\_\_\_% Private Equity: \_\_\_\_\_% Investment-Grade Debt and Interest Rate Hedging Assets: \_\_\_\_\_%  
 High-Yield Debt: \_\_\_\_\_% Real Assets: \_\_\_\_\_% Cash or Cash Equivalents: \_\_\_\_\_% Other: \_\_\_\_\_%

**b** Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:  
 0-5 years  5-10 years  10-15 years  15 years or more

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

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

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:  
 Yes.  
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.  
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.  
 No. Other. Provide explanation.....

**Part VII IRS Compliance Questions**

**21a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?  Yes  No

**21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).  
 Design-based safe harbor method  
 "Prior year" ADP test  
 "Current year" ADP test  
 N/A

**22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q702379A.



Financial Statements  
July 31, 2024 and 2023

**Johnson, Finch & McClure Construction,  
Inc. Employee Stock Ownership Plan  
and Trust**

# Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust

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July 31, 2024 and 2023

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## Independent Auditor's Report

The Administrative Committee  
Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust  
Lakeside, California

### ***Opinion***

We have audited the financial statements of Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust (the Plan), an employee benefit plan subject to the Employee Retirement Income Act of 1974 (ERISA), which comprise the statements of net assets (deficit) available for benefits as of July 31, 2024 and 2023 and the related statement of changes in net assets (deficit) available for benefits for the year ended July 31, 2024, and the related notes to the financial statements.

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

### ***Basis of 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 Auditors' 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 these 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 for one year after the date the financial statements are available to be issued.

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

### ***Auditors' 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 auditors' 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 Information Required by ERISA***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule H, line 4i-schedule of assets held at end of year as of July 31, 2024, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's (DOL) 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 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 schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule 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.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the typed name and date.

Boise, Idaho  
May 15, 2025

Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust  
 Statements of Net Assets (Deficit) Available for Benefits  
 July 31, 2024 and 2023

	2024			2023		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Assets						
Cash	\$ 100	\$ -	\$ 100	\$ 100	\$ -	\$ 100
Investment, at fair value (Notes 3 and 4)	1,357,679	3,241,171	4,598,850	1,060,168	3,205,432	4,265,600
Total assets	<u>1,357,779</u>	<u>3,241,171</u>	<u>4,598,950</u>	<u>1,060,268</u>	<u>3,205,432</u>	<u>4,265,700</u>
Liability						
Acquisition indebtedness (Note 5)	-	19,796,641	19,796,641	-	20,602,740	20,602,740
Net assets (deficit) available for benefits	<u>\$ 1,357,779</u>	<u>\$ (16,555,470)</u>	<u>\$ (15,197,691)</u>	<u>\$ 1,060,268</u>	<u>\$ (17,397,308)</u>	<u>\$ (16,337,040)</u>

Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust  
Statement of Changes in Net Assets (Deficit) Available to Benefits  
Year Ended July 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
<b>Additions</b>			
Investment income			
Net appreciation in fair value of investment (Note 3)	\$ 83,102	\$ 250,148	\$ 333,250
Dividends	-	209,210	209,210
	<u>83,102</u>	<u>459,358</u>	<u>542,460</u>
Employer contributions	-	1,815,025	1,815,025
Allocation of 158,195 shares of common stock of the company, at fair value	218,309	-	218,309
	<u>218,309</u>	<u>1,815,025</u>	<u>2,033,334</u>
Total additions	<u>301,411</u>	<u>2,274,383</u>	<u>2,575,794</u>
<b>Deductions</b>			
Benefits paid to participants	3,900	-	3,900
Allocation of 158,195 shares of common stock of the Company, at fair value	-	218,309	218,309
Interest expense	-	1,214,236	1,214,236
	<u>3,900</u>	<u>1,432,545</u>	<u>1,436,445</u>
Total deductions	<u>3,900</u>	<u>1,432,545</u>	<u>1,436,445</u>
Net increase	297,511	841,838	1,139,349
Net assets (deficit) available for benefits, Beginning of year	<u>1,060,268</u>	<u>(17,397,308)</u>	<u>(16,337,040)</u>
End of year	<u>\$ 1,357,779</u>	<u>\$ (16,555,470)</u>	<u>\$ (15,197,691)</u>

## **Note 1 - Description of Plan**

The following description of Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

### **General**

Johnson, Finch & McClure Construction, Inc. (the Company), established the Plan effective August 1, 2018. The Plan operates, in relevant part, as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986 (IRC), as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Administrative Committee of the Company. Prudent Fiduciary Services is the Plan's Trustee.

During the year ended July 31, 2019, the Plan agreed to purchase 3,332.50 shares representing 100% of the outstanding equity shares in the Company. The ESOP agreed to pay \$26,500,000 to be financed with an integrated transaction of seller notes. The integrated transaction was funded with a note (Note) given by the ESOP to the selling shareholders in exchange for shares guaranteed by the Company. In February 2020, the Company issued a 1,000 to 1 stock split resulting in the ESOP owning 3,332,500 shares. Shares held by the Plan at both July 31, 2024 and 2023 were 3,332,500 with a cost of \$26,500,000.

The borrowing is collateralized by the unallocated shares of stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of July 31, 2024 and 2023, and for the year ended July 31, 2024, present separately the assets and liabilities and changes therein pertaining to:

1. Accounts of employees with vested rights in allocated common stock (allocated).
2. Common stock not yet allocated to employees (unallocated).

### **Eligibility and Entry Date**

Employees of the Company are generally eligible to participate in the Plan after one year of service provided, they worked at least 1,000 hours during such Plan year, have reached age 21, and are not covered by a collective bargaining agreement. Participants who do not have at least 1,000 hours of service during such plan year or are not employed on the last working day of the plan year are generally not eligible for an allocation of Employer contributions for such year. Eligible employees may enter the Plan on February 1 or August 1 coinciding with of following the date they satisfy the Plan's eligibility requirements.

### **Contributions**

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends, safe-harbor contribution, and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. Employee contributions are not permitted. During the Plan year ended July 31, 2024, the Company made a safe-harbor contribution of \$261,125, and cash contributions of \$1,553,900, which were used to make the regular scheduled payment on its term loan.

### **Voting Rights**

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account only under certain circumstances as defined in the Plan document. The Administrative Committee shall direct the Trustee in all other circumstances, including determining the manner in which any unallocated shares are voted.

### **Put Option**

Under federal income tax regulations, the Company common stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash. The Company can pay for the purchase with interest for a period up to five years.

### **Participant Accounts**

The Plan is a defined contribution plan under which separate individual accounts are established for each participant. Each participant will have three separate employer contribution accounts, (1) employer stock account, (2) other investment account and (3) safe harbor contribution account.

Each participant's employer stock accounts is credited at least once each Plan year with the allocable share of qualifying employer securities, including stock dividends and forfeitures. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

Each participant's other investment accounts is credited as of the last day of the Plan year and are for all other employer contributions other than those of qualifying employer securities, including the safe harbor contribution. Each participant's safe harbor contribution account is credited once a year in an amount equal to three percent of compensation of each participant eligible for a safe harbor contribution pursuant to the terms of the Company's 401(k) program.

Plan earnings and losses are allocated to each participant's account based on the ratio of participant's account balances as of the beginning of the plan year, but after reducing each account balance by any distributions from the account, including the purchase of qualifying employer securities that are then transferred to the employer stock account.

**Vesting**

Participants are vested immediately in Safe Harbor accounts, plus actual earnings thereon, and reinvested dividends. Vesting in remaining contributions and earnings is based on years of continuous service. Vesting is based on years of credited services as set forth in the following table:

<u>Years of Service</u>	<u>Percentage Vested</u>
Less than 2	0%
2, but less than 3	20%
3, but less than 4	40%
4, but less than 5	60%
5, but less than 6	80%
6 or more	100%

Participants are 100% vested in their account balances upon retirement, death, or disability.

**Forfeitures**

At July 31, 2024 and 2023, there was no balance in the forfeited non-vested account as all forfeitures are used in the same year they are forfeited. Forfeited accounts are allocated to eligible participants based on a participant's eligible compensation, relative to the total eligible compensation. During the year ended July 31, 2024, there were no forfeited non-vested accounts allocated to eligible participants.

**Payment of Benefits**

Upon separation from the Plan, if the participant's vested account balance is \$5,000 or more, the participant is eligible for a life annuity (unless participant is deceased in which case payment shall be made via qualified Joint and Survivor Annuity to his or her surviving spouse). The Administrative Committee may, after consulting with the participant, or Beneficiary, as to the preferred method of payment, direct the Trustee to distribute the benefits of a participant who has waived the annuity option or who is not eligible for annuities to receive payment via lump sum or via periodic payments of substantially equal amounts for a specified period. Distributions are made in cash or, if a participant elects, Qualifying Employer Securities. Under the provisions of the Plan, the Company is obligated to repurchase participant shares, which have been distributed under the terms of the Plan if the shares are not publicly traded or if the shares are subject to trading limitations.

**Diversification**

Diversification is offered to qualified participants so that they may have the opportunity to move part of the value of their investment in Company stock into investments that are more diversified. Participants with at least six years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. The election to diversify is made subsequent to year-end based upon the shares of employer stock in the participant's account at year-end. There are currently no employees eligible to diversify during the year ended July 31, 2024.

## **Note 2 - Significant of Accounting Policies**

### **Basis of Accounting**

The financial statements of the Plan are prepared on the accrual basis of accounting.

### **Use of Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

### **Allocations**

The financial statements of the Plan present separately the assets, liabilities, and changes therein pertaining to the (a) accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

### **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. See Note 4 for a discussion of fair value measurements. 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 (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

The classification of investment earnings (losses) reported above and in the statement of changes in net assets (deficit) available for benefits may differ from the classification of earnings (losses) on Form 5500 due to different reporting requirements on Form 5500.

### **Payment of Benefits**

Benefit payments to participants are recorded when paid.

### **Expenses**

The Plan's expenses are paid by either the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from these financial statements.

**Plan Termination**

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan the Administrative Committee may then, at its discretion, direct the Trustee to distribute out account balances to participants or to another qualified plan which accepts rollover contributions after payment of any expenses.

Upon termination of the Plan, the ESOP committee directs the Trustee to pay all liabilities and expenses of the ESOP and to sell shares of financed common stock held as collateral to the extent it determines such sale will be necessary in order to repay the loan. Subsequently, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. In the event of Plan termination, participants will become 100% vested in their accounts.

**Subsequent Events**

Management has evaluated subsequent events through May 15, 2025, the date on which the financial statements were available to be issued. There have been no material subsequent events which would require recognition in the financial statements or disclosure in the notes to the financial statements.

**Note 3 - Investments**

The Plan's investment in Company common stock is as follows at July 31, 2024 and 2023:

	2024		
	Allocated	Unallocated	Total
Number of shares	989,211	2,343,289	3,332,500
Cost	\$ 7,866,194	\$ 18,633,806	\$ 26,500,000
Estimated fair value	\$ 1,357,679	\$ 3,241,171	\$ 4,598,850
	2023		
	Allocated	Unallocated	Total
Number of shares	831,016	2,501,484	3,332,500
Cost	\$ 6,608,230	\$ 19,891,770	\$ 26,500,000
Estimated fair value	\$ 1,060,168	\$ 3,205,432	\$ 4,265,600

#### Note 4 - 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 and 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 can access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2024 and 2023.

*Company common stock:* Value at estimated fair value based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow and net income, discount rates, return on assets, market comparable and estimated fair value of Company assets and liabilities, including discounts for lack of control and lack of marketability.

# Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust

Notes to Financial Statements

July 31, 2024 and 2023

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

	Assets at Fair Value as of July 31, 2024			Total
	Level 1	Level 2	Level 3	
Company common stock	\$ -	\$ -	\$ 4,598,850	\$ 4,598,850
Total assets at fair value	\$ -	\$ -	\$ 4,598,850	\$ 4,598,850
	Assets at Fair Value as of July 31, 2023			Total
	Level 1	Level 2	Level 3	
Company common stock	\$ -	\$ -	\$ 4,265,600	\$ 4,265,600
Total assets at fair value	\$ -	\$ -	\$ 4,265,600	\$ 4,265,600

The table below sets forth certain changes in the fair value of the Plan's Level 3 assets for the year ended July 31, 2024:

	Common Stock
Transfers in	\$ -
Transfers out	-
Purchases	-
Issuance/Distributions	-

## Note 5 - Acquisition Indebtedness

At July 31, 2024, acquisition indebtedness includes the Note described in Note 1. The note is to be repaid over 20 years, bears interest at six percent and requires monthly principal and interest payments of \$168,361. The Note is prepayable at any time without premium or penalty. Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral, times the ratio of the current year payments divided by the total of this year's payments, plus all future years' principal and interest payments. This resulted in 158,195 shares being released and allocated for the Plan year ended July 31, 2024.

Maturities on the Note for the next five year and thereafter are as follows:

2025	\$ 855,819
2026	908,603
2027	964,643
2028	1,024,140
2029	1,087,307
Thereafter	<u>14,956,129</u>
Total	<u>\$ 19,796,641</u>

Interest expense paid to the Company totaled \$1,214,236 for the year ended July 31, 2024.

#### **Note 6 - ESOP Dividends**

The ESOP paid dividends to the participants of \$209,210 for debt service during the year ended July 31, 2024. Dividends on unallocated shares of Employer stock are allocated to participants in the same manner of the employer contributions.

#### **Note 7 - Right of First Refusal**

Company stock that has been distributed to a participant and not immediately repurchased by the Company or Trust, may be subject to a right of first refusal if so, determined by the Company. Prior to any subsequent transfer, the shares must first be offered by written offer to the Company, and then, if refused by the Company, to the Trust at fair market value as determined by an independent appraiser appointed by the ESOP Committee.

#### **Note 8 - Related Party and Party-in-Interest Transactions**

The Plan invests in Company common stock and has indebtedness with or guaranteed by the Company. These are related party and party-in-interest transactions.

#### **Note 9 - Risks and Uncertainties**

The Plan's investments consist solely of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows and other such techniques. Market risks include global events which could impact the value of investments, such as a pandemic or international conflict. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in estimates and assumptions, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

**Note 10 - Tax Status**

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated April 14, 2020, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC.

Subsequent to the issuance of the determination letter, the Plan was amended. However, the Company, Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC, and, therefore believe the Plan is qualified and the related trust continues to be tax-exempt.

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



Supplementary Information  
July 31, 2024

**Johnson, Finch & McClure Construction,  
Inc. Employee Stock Ownership Plan  
and Trust**

Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust

Schedule H, Part IV, Line 4i – Schedule of Assets Held at End of Year

July 31, 2024

EIN: 95-3206100

Plan: 002

(a)	(b) Issuer	(c) Description	(d) Cost	(e) Value
<u>Non-Participant Directed</u>				
*	Johnson, Finch & McClure Construction, Inc.	Common stock, 3,332,500 shares	<u>\$ 26,500,000</u>	<u>\$ 4,598,850</u>
			<u><u>\$ 26,500,000</u></u>	<u><u>\$ 4,598,850</u></u>

\* Party-in-interest as defined by ERISA

Johnson, Finch & McClure Construction, Inc. Employee Stock Ownership Plan and Trust  
 Schedule H, Part IV, Line 4i – Schedule of Assets Held at End of Year

July 31, 2024

EIN: 95-3206100

Plan: 002

(a)	(b) Issuer	(c) Description	(d) Cost	(e) Value
<u>Non-Participant Directed</u>				
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			<u>\$ 26,500,000</u>	<u>\$ 4,598,850</u>

\* Party-in-interest as defined by ERISA