

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2023

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 10/01/2023 and ending 09/30/2024

- A This return/report is for: [X] 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. [X]
D Check box if filing under: [X] Form 5558 [] automatic extension [] the DFVC program [] special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. []

Part II Basic Plan Information—enter all requested information

1a Name of plan IUOE LOCAL 406 VACATION FUND
1b Three-digit plan number (PN) 501
1c Effective date of plan 10/01/2013
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) IUOE LOCAL 406 VACATION FUND 3525 N. CAUSEWAY BLVD., STE 406 METAIRIE, LA 70002
2b Employer Identification Number (EIN) 47-2019500
2c Plan Sponsor's telephone number 504-241-1311
2d Business code (see instructions) 238900

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, Date, and Name. Rows include: 1. Filed with authorized/valid electronic signature, 05/16/2025, D. JASON BILLINGS; 2. Signature of plan administrator; 3. Filed with authorized/valid electronic signature, 05/16/2025, D. JASON BILLINGS; 4. Signature of employer/plan sponsor; 5. Signature of 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	1592
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)	1592
	6a(2)	1340
	6b	
	6c	
	6d	1340
	6e	
	6f	
	6g(1)	
6g(2)		
6h		
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	52

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

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
4Q

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input 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 type="checkbox"/> A (Insurance Information) – Number Attached _____	
(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 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 **10/01/2023** and ending **09/30/2024**

A Name of plan IUOE LOCAL 406 VACATION FUND	B Three-digit plan number (PN) ▶	501
C Plan sponsor's name as shown on line 2a of Form 5500 IUOE LOCAL 406 VACATION FUND	D Employer Identification Number (EIN) 47-2019500	

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.

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2819608	2750702
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(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	2819608	2750702
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	68751	86757
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	68751	86757
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	2750857	2663945

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)	2845965	
(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)		2845965
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	46626	
(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)		
(2) Dividends:			
(A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(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)		
(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)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		2892591

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2972585	
(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)		2972585
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)	24	
(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)	6894	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		6918
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2979503

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-86912
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: **DUPLANTIER, HRAPMANN, HOGAN, AND MA**

(2) EIN: **72-0567396**

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		500000
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	
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 _____.

FINANCIAL REPORT
IUOE LOCAL 406 VACATION FUND
SEPTEMBER 30, 2024 AND 2023

IUOE LOCAL 406 VACATION FUND

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SEPTEMBER 30, 2024 AND 2023

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Duplantier Hrapmann Hogan & Maher, LLP

A.J. Duplantier, Jr., CPA
(1919-1985)
Felix J. Hrapmann, Jr., CPA
(1919-1990)
William R. Hogan, Jr., CPA
(1920-1996)
James Maher, Jr., CPA
(1921-1999)

INDEPENDENT AUDITOR'S REPORT

April 8, 2025

Lindsay J. Calub, CPA, LLC
Michelle H. Cunningham, CPA
Grady C. Lloyd, III, CPA
Robynn P. Beck, CPA
J. Patrick Butler, III, CPA
Wesley D. Wade, CPA

Heather Jovanovich, CPA
Terri L. Kitto, CPA
Gregory J. Binder, IT Director
Colleen A. Casey, CPA
J. Michael Flynn, III CPA

Michael J. O' Rourke, CPA
William G. Stamm, CPA
Dennis W. Dillon, CPA

New Orleans

1615 Poydras Street,
Suite 2100
New Orleans, LA 70112
Phone: (504) 586-8866
Fax: (504) 525-5888

Slidell

1290 Seventh Street
Slidell, LA 70458
Phone: (985) 641-1272
Fax: (985) 781-6497

Houma

1340 Tunnel Blvd.,
Suite 412
Houma, LA 70360
Phone: (985) 868-2630
Fax: (985) 872-3833

Covington

220 Park Place
Suite 101
Covington, LA 70433
Phone: (985) 892-8776
Fax: (985) 892-0952

Metairie

3300 W. Esplanade Ave.
Suite 213
Metairie, LA 70002
Phone: (504) 833-3106
Fax: (504) 838-0262

To the Board of Trustees of the
IUOE Local 406 Vacation Fund
Metairie, Louisiana

Opinion

We have audited the financial statements of IUOE Local 406 Vacation Fund, which comprise the statements of net assets available for benefits - modified cash basis as of September 30, 2024 and 2023, and the related statement of changes in net assets available for benefits - modified cash basis, for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits – modified cash basis, of IUOE Local 406 Vacation Fund as of September 30, 2024 and 2023, and the changes in net assets available for benefits - modified cash basis, for the years then ended, in accordance with the modified cash basis of accounting described in Note 2.

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 IUOE Local 406 Vacation Fund 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.

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Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Fund, and determining that the Fund's transactions that are presented and disclosed in the financial statements are in conformity with the Fund'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 Responsibility 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 IUOE Local 406 Vacation Fund'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 IUOE Local 406 Vacation Fund'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 Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (modified cash basis) (Held at End of Year), referred to as "supplemental information," is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the IUOE Local 406 Vacation Fund's 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 audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In forming our opinion on the supplemental schedule (modified cash basis), we evaluated whether the supplemental schedule (modified cash basis), including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule (modified cash basis) 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 Department of Labor's Rules and regulations for Reporting and Disclosures under ERISA.


New Orleans, Louisiana

IUOE LOCAL 406 VACATION FUND
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS -
 MODIFIED CASH BASIS
SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS:		
Investments, at fair value	\$ 2,750,702	\$ 2,819,608
TOTAL ASSETS	2,750,702 ✓	2,819,608
LIABILITIES:		
Cash overdraft - outstanding checks	86,757	68,751
TOTAL LIABILITIES	86,757 ✓	68,751
NET ASSETS AVAILABLE FOR BENEFITS:		
Allocated	2,621,148	2,747,768
Unallocated	42,797	3,089
TOTAL NET ASSETS AVAILABLE FOR BENEFITS	\$ 2,663,945	\$ 2,750,857

The accompanying notes are an integral part of these financial statements.

IUOE LOCAL 406 VACATION FUND
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS -
MODIFIED CASH BASIS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ADDITIONS TO NET ASSETS:		
Contributions:		
Employee contributions	\$ 2,845,965 ✓	\$ 3,002,136
Total contributions	<u>2,845,965</u>	<u>3,002,136</u>
Investment income:		
Interest	46,626 ✓	190
Total investment income	<u>46,626</u>	<u>190</u>
 TOTAL ADDITIONS	 <u>2,892,591</u>	 <u>3,002,326</u>
 DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Vacation benefits paid to participants	2,972,585 ✓	3,252,833
General and administrative expenses	<u>6,918</u>	<u>1,380</u>
 TOTAL DEDUCTIONS	 <u>2,979,503</u>	 <u>3,254,213</u>
 NET DECREASE	 (86,912)	 (251,887)
 NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	<u>2,750,857</u>	<u>3,002,744</u>
End of year	<u>\$ 2,663,945</u>	<u>\$ 2,750,857</u>

The accompanying notes are an integral part of these financial statements.

IUOE LOCAL 406 VACATION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

1. DESCRIPTION OF THE FUND:

The following brief description of the IUOE Local 406 Vacation Fund (the “Fund”) is provided for general information purposes only. Participants should refer to the Trust Fund agreement for a more complete description of the Fund’s provisions. Copies of this document are available from the Fund’s Administrator.

General:

The Fund is a defined-contribution health and welfare benefit plan, providing vacation benefits, covering all eligible members of the International Union of Operating Engineers Local (the “Union”) under the terms of the various collective bargaining agreements with various contractors (the “Employers”). The Fund is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. The Board of Trustees oversees governance of the Fund.

Eligibility:

Each employee of participating employers required to make contributions, in accordance with a collective bargaining agreement with the Union, is eligible to participate. Participants should refer to the Fund document for a complete description of benefits and other matters.

Contributions:

The contributions to the Fund are made 100% by employees. Employers deduct amounts from participants’ gross wages based on number of hours worked and the hourly rates dictated within the collective bargaining agreements. Employers remit contributions to the Fund monthly.

Vesting:

Participants are at all times one hundred percent vested in their account balances.

Investment Income:

Investment income is used primarily to pay the Fund’s administrative expenses. Excess investment income over administrative expenses may be carried forward to later years or may be distributed to participants on a pro rata basis at the discretion of the Trustees.

Payment of Benefits:

The amount accumulated in each participant’s vacation account through September 30 of each Plan year-end will be disbursed to participants annually, from December 1st to December 14th of the following Plan year. The Fund year starts October 1 and ends September 30. Benefits unclaimed after five (5) years may be forfeited, but are available if the participant applies for them at later date.

IUOE LOCAL 406 VACATION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

1. DESCRIPTION OF THE FUND: (Continued)

Termination:

Although they have not expressed any intent to do so, the Trustees have the right under the Trust document to terminate the Fund subject to the provisions of ERISA. In the event of termination, each participant shall have a non-forfeitable right to the funds accumulated in the participant's vacation account, after providing for expenses of the Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting:

The accompanying financial statements of the Fund are prepared on a modified cash basis of accounting. This basis of accounting differs from generally accepted accounting principles in that revenue is recognized when received rather than when earned and expenses and other disbursements are recognized when paid rather than when incurred. In addition, certain liabilities or receivables, such as transactions due to or from related funds, are recorded when applicable.

Use of Estimates:

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results may differ from those estimates.

Cash Equivalents:

The Fund considers all highly liquid short-term investments purchased with a maturity of three months or less to be cash equivalents.

Investments:

Investments in cash equivalents and certificates of deposit 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 measurable date.

Net Assets Available for Benefits:

Net assets available for benefits are reported in two categories as follows:

Allocated: The Allocated net assets of \$2,621,148 and \$2,747,768 represent vacation benefits earned as of September 30, 2024 and 2023, respectively, and payable in December 2024 and 2023, respectively.

IUOE LOCAL 406 VACATION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Net Assets Available for Benefits: (Continued)

Unallocated: The unallocated assets are to be used in the future for paying benefits or administrative expenses, and if negative, represents the deficiency of assets available to pay out future benefits.

Payment of Benefits:

Benefit payments to participants are recorded upon distribution.

Expenses:

The Fund permits the payment of Plan expenses directly from Plan assets. Certain expenses of the Fund are paid by related organizations and therefore excluded from these financial statements.

3. TAX STATUS:

The Internal Revenue Service (IRS) has determined and informed the Fund’s Trustees by a letter dated December 9, 2013, that the Fund and related Trust, as then designed, was in accordance with the applicable section of the Internal Revenue Code (“IRC”). The Fund’s Trustees believe that the Fund is currently deigned and being operated in compliance with the applicable requirements of the IRC and therefore believe that the Fund is qualified and the related Trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Fund management to evaluate tax positions taken by the Fund and recognize a tax liability if the Fund has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Fund administrator has analyzed the tax positions taken by the Fund and has concluded that as of September 30, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

4. INVESTMENTS:

Investments consist of a sweep account money market fund and certificates of deposit as of September 30, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Sweep Account - Money Market	\$ 2,604,657	\$ 2,673,563
Certificates of Deposit	146,045	146,045
	\$ 2,750,702	\$ 2,819,608

IUOE LOCAL 406 VACATION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

4. INVESTMENTS: (Continued)

Interest income for the years ended September 30, 2024 and 2023 was \$46,626 and \$190 respectively.

Sweep Account:

The Fund entered into a Sweep Repurchase Agreement with Hancock Whitney Bank Trust (the Bank). The agreement allows the Bank to transfer excess cash balances to a repurchase investment option, which typically invests in certain securities issued by the United States Government or agencies thereof. A sweep of the excess cash allows the Fund to earn interest on the amounts invested while retaining the flexibility to quickly access that cash to purchase securities or withdraw it. Repurchase investment options are treated as securities and are registered with the Securities and Exchange Commission, pursuant to the Investment Company Act of 1940. Shares in a repurchase investment option are not FDIC-insured, not guaranteed by the Federal Government, and are not deposits or obligations of any bank or guaranteed by the bank. Hancock Whitney Bank may receive a fee from the investment, its advisor or distributor for providing various administrative and ministerial services.

Certificates of Deposit:

Certificates of deposit are managed through the Bank of Oklahoma's certificate of deposit account registry service (CDARS). This program allows funds to be invested at various banks so that the certificates of deposit are fully insured under FDIC limits, with the simplicity of being managed under one bank. For the years ended September 30, 2024 and 2023 the CDARS interest rate was 4.75% and 4.55%, respectively.

5. FAIR VALUE MEASUREMENTS:

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value based on inputs used to measure fair value, and enhance disclosure requirements to fair value measurements. The hierarchy consist of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Fund uses appropriate valuation techniques based on the available inputs to measure the fair value of investments. When available the Fund measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. There are no Fund assets requiring the use of Level 2 or Level 3 inputs for the years presented and there were no changes in the methods used to measure fair value at September 30, 2024 and 2023.

Level 1 Fair Value Measurements: The fair value of the money market sweep account fund and the certificates of deposit were based on quoted net asset values and are considered to be actively traded.

IUOE LOCAL 406 VACATION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

5. FAIR VALUE MEASUREMENTS: (Continued)

The following tables set forth, by level within the fair value hierarchy, the Fund's investments at fair value as of September 30, 2024 and 2023:

<u>September 30, 2024</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money Market Fund	\$ 2,604,657	\$ 2,604,657	\$ -	\$ -
Certificates of Deposit Registry (CDARS)	<u>146,045</u>	<u>146,045</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 2,750,702</u>	<u>\$ 2,750,702</u>	<u>\$ -</u>	<u>\$ -</u>
<u>September 30, 2023</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money Market Fund	\$ 2,673,563	\$ 2,673,563	\$ -	\$ -
Certificates of Deposit Registry (CDARS)	<u>146,045</u>	<u>146,045</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 2,819,608</u>	<u>\$ 2,819,608</u>	<u>\$ -</u>	<u>\$ -</u>

6. RELATED PARTY TRANSACTIONS:

The Fund is separate and apart from the IUOE Local 406 Union and Local 406 O.P.E.R.A.T.E., but share common membership and Board members. May 2019, IUOE Local 406 Executive Board approved a diversion of \$1,000 per month out of O.P.E.R.A.T.E. to the Union's general fund to cover certain expenses of the Vacation Fund, including audit fees and insurance.

Administrators of the Fund and members of the Fund sponsor are participating in the Fund. However, there are no transactions with individuals within either of these groups other than their participation in the Fund.

Employee contributions from related organizations during the years ended September 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
I.U.O.E Local Union 406	\$ 45,950	\$ 44,571
Operating Engineers Local 406, State of Louisiana Apprenticeship and Educational Training Program	<u>5,389</u>	<u>7,520</u>
	<u>\$ 51,339</u>	<u>\$ 52,091</u>

IUOE LOCAL 406 VACATION FUND
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024 AND 2023

6. RELATED PARTY TRANSACTIONS: (Continued)

During the years ended September 30, 2024 and 2023, member dues withheld from participant vacation payments in the amount of \$113,040 and \$104,640, respectively, were remitted to the Union.

7. CONCENTRATION OF CONTRIBUTIONS:

Employee contributions withheld and remitted by employers are concentrated in the operating engineering industries. At September 30, 2024 and 2023, the following employers provided over 10% of total contributions received as follows:

	<u>2024</u>	<u>2023</u>
Boh Bros. Construction Co. LLP	10%	11%
Cooper/T. Smith Stevedoring Co Inc.	18%	15%
Deep South Crane & Rigging Co.	25%	22%
Maxim Crane Works LP	11%	12%
Turner Industries Group. LLC	17%	15%

8. RISK AND UNCERTAINTIES:

The sweep account invests in collateral that consist of investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investments securities, it is at least reasonably possible that changes in the values of investments securities could occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Investments in certificates of deposit are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,00 per insured bank. As of September 30, 2024 and 2023, the balances in the certificate of deposits were fully insured.

9. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date the financial statements were available to be issued on April 8, 2025 and determined that no events occurred that required disclosure.

SUPPLEMENTARY INFORMATION

IUOE LOCAL 406 VACATION FUND
 EIN 46-2866300, PLAN NO. 501
 FORM 5500, SCHEDULE H, LINE 4i
 SCHEDULE OF ASSETS (HELD AT END OF YEAR) –
 MODIFIED CASH BASIS
SEPTEMBER 30, 2024

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Market Value	(d) Cost	(e) Current Value
	Hancock Whitney Bank	Sweep REPO Account, Interest rate 3%	\$ 2,604,657	\$ 2,604,657
	Bank of Oklahoma - CDARS	Certificate of Deposit Registry Services Account 4.75% Maturity date 02/13/2025	146,045	146,045
			<u>\$ 2,750,702</u>	<u>\$ 2,750,702</u>

IUOE LOCAL 406 VACATION FUND
 EIN 46-2866300, PLAN NO. 501
 FORM 5500, SCHEDULE H, LINE 4i
 SCHEDULE OF ASSETS (HELD AT END OF YEAR) –
 MODIFIED CASH BASIS
SEPTEMBER 30, 2024

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Market Value	(d) Cost	(e) Current Value
	Hancock Whitney Bank	Sweep REPO Account, Interest rate 3%	\$ 2,604,657	\$ 2,604,657
	Bank of Oklahoma - CDARS	Certificate of Deposit Registry Services Account 4.75% Maturity date 02/13/2025	146,045	146,045
			<u>\$ 2,750,702</u>	<u>\$ 2,750,702</u>