

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

Part II Basic Plan Information—enter all requested information

1a Name of plan OPERATING ENGINEERS' LOCAL NO. 428 VACATION SAVINGS TRUST FUND
1b Three-digit plan number (PN) 501
1c Effective date of plan 05/24/1971
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) OPERATING ENGINEERS' LOCAL NO. 428 VACATION SAVINGS TRUST FUND 2550 W UNION HILLS DR STE 290 PHOENIX, AZ 85027-5198
2b Employer Identification Number (EIN) 23-7135778
2c Plan Sponsor's telephone number 602-249-3582
2d Business code (see instructions) 525100

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

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

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

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

Form 5500 (2023) v. 230707

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	1961
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)	1961
	6a(2)	2365
	6b	
	6c	
	6d	2365
	6e	
	6f	2365
	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	62

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 checked="" 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 C (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>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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 OPERATING ENGINEERS' LOCAL NO. 428 VACATION SAVINGS TRUST FUND	B Three-digit plan number (PN) ▶	501
C Plan sponsor's name as shown on line 2a of Form 5500 OPERATING ENGINEERS' LOCAL NO. 428 VACATION SAVINGS TRUST FUND	D Employer Identification Number (EIN) 23-7135778	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

BALDWIN MOFFITT BEHM LLP

46-4370753

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE OTHER THAN CONTRACT	5582	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

SOUTHWEST SERVICE ADMINISTRATORS

86-0785790

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12	NONE OTHER THAN CONTRACT	23496	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

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

A Name of plan OPERATING ENGINEERS' LOCAL NO. 428 VACATION SAVINGS TRUST FUND		B Three-digit plan number (PN) ►	501
C Plan sponsor's name as shown on line 2a of Form 5500 OPERATING ENGINEERS' LOCAL NO. 428 VACATION SAVINGS TRUST FUND		D Employer Identification Number (EIN) 23-7135778	

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	152551	123822
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	6449	8193
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1510274	1740626
(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	1669274	1872641
Liabilities			
g Benefit claims payable	1g	1496472	1640338
h Operating payables	1h	419	3879
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1496891	1644217
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	172383	228424

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)	1640338	
(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)		1640338
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	47057	
(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)		47057
(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		29963
d Total income. Add all income amounts in column (b) and enter total.....	2d		1717358

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1623043	
(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)		1623043
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)	22826	
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)	5582	
(5) Investment advisory and investment management fees.....	2i(5)		
(6) Bank or trust company trustee/custodial fees.....	2i(6)	3804	
(7) Actuarial fees.....	2i(7)		
(8) Legal fees.....	2i(8)	2347	
(9) Valuation/appraisal fees.....	2i(9)		
(10) Other trustee fees and expenses.....	2i(10)		
(11) Other expenses.....	2i(11)	3715	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		38274
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1661317

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		56041
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: **BALDWIN MOFFITT BEHM LLP**

(2) EIN: **46-4370753**

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.)			
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.			

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 _____.

**OPERATING ENGINEERS' LOCAL 428
VACATION SAVINGS TRUST FUND**

Financial Statements and Independent Auditors' Report

For the Years Ended September 30, 2024 and 2023

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Operating Engineers' Local 428 Vacation Savings Trust Fund

Opinion

We have audited the accompanying financial statements of Operating Engineers' Local 428 Vacation Savings Trust Fund, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of September 30, 2024 and 2023, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Operating Engineers' Local 428 Vacation Savings Trust Fund as of September 30, 2024 and 2023, and the changes in its net assets available for benefits for the years then ended 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. 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 Operating Engineers' Local 428 Vacation Savings Trust 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Operating Engineers' Local 428 Vacation Savings Trust Fund'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 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' 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 and 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 generally accepted auditing standards 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Operating Engineers' Local 428 Vacation Savings Trust 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Operating Engineers' Local 428 Vacation Savings Trust 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.

June 12, 2025

Baldwin Moffitt Behm LLP
CERTIFIED PUBLIC ACCOUNTANTS
Scottsdale, Arizona

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

Statements of Net Assets Available for Benefits

September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Receivables:		
Contributions receivable	\$ 123,822	\$ 152,551
Interest receivable	6,451	6,073
Other	<u>26</u>	<u>110</u>
Total receivables	<u>130,299</u>	<u>158,734</u>
Prepaid expenses	1,716	266
Cash	<u>1,740,626</u>	<u>1,510,274</u>
Total assets	<u>1,872,641</u>	<u>1,669,274</u>
 LIABILITIES		
Accounts payable	3,253	419
Due to Operating Engineers Health & Welfare Trust Fund	<u>626</u>	<u>-</u>
Total liabilities	<u>3,879</u>	<u>419</u>
Net assets available for benefits	<u>\$ 1,868,762</u>	<u>\$ 1,668,855</u>

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

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

Statements of Changes in Net Assets Available for Benefits

For the Years Ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ADDITIONS TO NET ASSETS		
Contributions	\$ 1,640,338	\$ 1,496,472
Forfeitures	29,963	17,809
Interest income	<u>47,057</u>	<u>46,559</u>
 Total additions	 <u>1,717,358</u>	 <u>1,560,840</u>
 DEDUCTIONS FROM NET ASSETS		
Benefits paid to participants	1,479,177	1,242,323
Administrative expenses	<u>38,274</u>	<u>41,283</u>
 Total deductions	 <u>1,517,451</u>	 <u>1,283,606</u>
 Changes in net assets	 199,907	 277,234
 Net assets available for benefits:		
Beginning of year	<u>1,668,855</u>	<u>1,391,621</u>
End of year	<u>\$ 1,868,762</u>	<u>\$ 1,668,855</u>

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

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

Notes to Financial Statements

For the Years Ended September 30, 2024 and 2023

NOTE A – DESCRIPTION OF FUND

The following description of Operating Engineers' Local 428 Vacation Savings Trust Fund (Plan) provides only general information. Participants should refer to the trust agreement for a more complete description of the Plan's provisions.

General – The Plan is a multiemployer defined contribution health and welfare fund that was established on January 1, 1971, pursuant to a collective bargaining agreement (CBA) between the members of the Arizona Chapter of the Associated General Contractors and the International Union of Operating Engineers, Local Union No. 428 (Union). Effective July 22, 2024, the International Union of Operating Engineers, Local Union No. 428 (Local 428) merged into the International Union of Operating Engineers, Local Union No. 12 (Local 12). On March 13, 2025, the trust and plan agreements were amended to reflect this change as of July 22, 2024. The trust agreement provides, among other things for employers of participants to deduct from the participants' wages \$0.50 for each hour worked by covered participants. The employee can be a union member, but union membership is not required for participation. The Plan provides vacation benefits for eligible participants and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Administration of the Plan is the responsibility of the Board of Trustees (Trustees) and is governed by a joint board consisting of equal representation from the participating employer and the Union.

Contributions and benefits – The Plan is funded through contributions which are paid monthly by the employer based on hours paid and/or worked by employees under their respective collective bargaining agreements. Contributions received are added to the vacation accounts of the participants. The vacation savings plan year is October 1 of each year to September 30 of the following year, with the payout date being each December 1. Contributions received after October 31 for hours worked prior to September 30 are considered delinquent and are added to the subsequent plan year.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan.

Basis of accounting – The accompanying financial statements are prepared on the accrual method of accounting.

The Plan maintains its financial records using the modified cash basis of accounting, under which additions and deductions to net assets available for benefits are recognized when measurable and available to financial expenditures of the current period. Expenditures are generally recorded when the liability is paid. Adjustments are prepared at each year end to adjust the financial records to the accrual method of accounting.

Forfeitures – Vacation checks which are written but not cashed or claimed by the participant within three years from the date of issuance are deemed to be void and the amount is to be transferred to the general operating account of the Plan.

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

Notes to Financial Statements

For the Years Ended September 30, 2024 and 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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

Contributions receivable – Contributions receivable is based upon actual contributions received subsequent to September 30, for hours worked prior to September 30; therefore, there is no allowance for uncollectible receivables. No provision has been made for subsequent receipt of additional delinquent monies covering hours worked during September or prior months, as the financial effect is expected to be immaterial. Contributions are due by the 15th of the month following the month in which the hours were worked, amounts not paid by then are deemed delinquent.

Payment of benefits – Benefit payments to participants are recorded upon distribution.

Administrative expenses – Expenses incurred in connection with the general administration of the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. The Plan shares certain administrative expenses with a related health and welfare plan, apprenticeship plan, defined contribution retirement plan, and a defined benefit retirement plan. In computing these allocated costs, various factors were considered, including the net assets of each plan in relation to the other plans. (See Note H).

Subsequent events – The Plan's management has evaluated subsequent events through June 12, 2025, the date the financial statements were available to be issued.

NOTE C – PARTICIPANT'S UNDISTRIBUTED VACATION BENEFITS

Vacation benefits undistributed consist of participant contributions received from hours worked from October through September but paid out in the following plan year.

Contributions received October 2023 - August 2024	\$ 1,516,516
Contributions receivable at September 30, 2024	<u>123,822</u>
Undistributed vacation benefits at September 30, 2024	<u>1,640,338</u>
Contributions received October 2022 - August 2023	1,343,921
Contributions receivable at September 30, 2023	<u>152,551</u>
Undistributed vacation benefits at September 30, 2023	<u>1,496,472</u>
Net addition to undistributed vacation benefits	<u>\$ 143,866</u>

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

Notes to Financial Statements

For the Years Ended September 30, 2024 and 2023

NOTE D – RISKS AND UNCERTAINTIES

Cash consists of monies held in non-interest-bearing transaction accounts. The Plan places its cash with financial institutions deemed to be creditworthy. Balances are insured by the FDIC up to \$250,000. At September 30, 2024 and 2023, the Plan's cash exceeded federally insured limits by approximately \$1,380,000 and \$1,372,000, respectively.

NOTE E – TAX STATUS

The Internal Revenue Service has determined and informed the Plan by a letter, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the plan administrator and the Plan's counsel believe that the Plan is designed, and is currently being operating, in compliance with the applicable provisions of the IRC and, therefore, believe the Plan is qualified, and the related trust is 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.

NOTE F – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Net assets available for benefits per financial statements	\$ 1,868,762	\$ 1,668,855
Undistributed vacation benefits payable to participants	<u>(1,640,338)</u>	<u>(1,496,472)</u>
Net assets available for benefits per the Form 5500	<u>\$ 228,424</u>	<u>\$ 172,383</u>

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the years ended September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Benefits paid to participants per financial statements	\$ 1,479,177	\$ 1,242,323
Add: Undistributed vacation benefits payable at end of year	1,640,338	1,496,472
Less: Undistributed vacation benefits payable at beginning of year	<u>(1,496,472)</u>	<u>(1,274,425)</u>
Benefits paid to participants per the Form 5500	<u>\$ 1,623,043</u>	<u>\$ 1,464,370</u>

Undistributed vacation benefits payable to participants are recorded on the Form 5500 for vacation benefits that have been processed and approved for payment prior to September 30, but not yet paid as of that date.

OPERATING ENGINEERS' LOCAL 428 VACATION SAVINGS TRUST FUND

Notes to Financial Statements

For the Years Ended September 30, 2024 and 2023

NOTE G – TERMINATION OF THE PLAN

Although there has not been any expressed intent to do so, upon the termination of the Plan any and all monies remaining in the Plan after the payment of all expenses shall be paid out in accordance with the trust agreement to the participants entitled thereto until such monies have been exhausted.

NOTE H – TRANSACTIONS WITH PARTIES IN INTEREST

The Plan pays fees for several arrangements with service providers, including a third-party administrator, attorneys, and auditors. These transactions are considered exempt party in interest transactions under ERISA.

The Plan shares common governance and transacts with related organizations, including the Union, the Operating Engineers' Local No. 428 Health and Welfare Trust Fund, the Operating Engineers' Local No. 428 Pension Trust Fund, the Operating Engineers' Local 428 Annuity Trust Fund, and the Arizona Operating Engineers' Joint Apprenticeship and Training System, all of which are tax-exempt.

The Plan shares certain operating expenses with the Operating Engineers' Local No. 428 Health and Welfare Trust Fund, the Operating Engineers' Local No. 428 Pension Trust Fund, the Operating Engineers' Local 428 Annuity Trust Fund, and the Arizona Operating Engineers' Joint Apprenticeship and Training System.

NOTE I – ADMINISTRATIVE EXPENSES

The following table presents administrative expenses for the years ended September 30, 2024 and 2023:

	2024	2023
Administrative expenses:		
Administrative fees	\$ 22,826	\$ 24,735
Audit fees	5,582	5,649
Bank analysis fees	2,542	6,765
Custodial agent fees	1,262	450
Errors and omissions insurance	342	341
Insurance expense	579	233
Legal fees	2,347	-
Miscellaneous expense	24	42
Postage and mailing	2,139	1,321
Preservation of records	-	8
Printing and supplies	631	1,739
Total administrative expenses	<u>\$ 38,274</u>	<u>\$ 41,283</u>