

Form 5500-SF

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: [X] a single-employer plan [ ] a multiple-employer plan (not multiemployer) (Pension Plan filers checking this box must attach Schedule MEP. Other plans must attach a list of participating employer information in accordance with the form instructions.)
B This return/report is [ ] the first return/report [ ] the final return/report [X] an amended return/report [ ] a short plan year return/report (less than 12 months)
C Check box if filing under: [X] Form 5558 [ ] automatic extension [ ] DFVC program [ ] special extension (enter description)
D If the plan is a collectively-bargained plan, check here [ ]
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 COSTA ROOFING CASH BALANCE PLAN
1b Three-digit plan number (PN) 002
1c Effective date of plan 01/01/2023
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) COSTA ROOFING 16206 HAWTHORNE BLVD LAWNDALE, CA 90260
2b Employer Identification Number (EIN) 82-4603675
2c Sponsor's telephone number 424-218-6573
2d Business code (see instructions) 238100
3a Plan administrator's name and address [X] 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
5a Total number of participants at the beginning of the plan year 5
b Total number of participants at the end of the plan year 5
c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)
c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)
d(1) Total number of active participants at the beginning of the plan year 5
d(2) Total number of active participants at the end of the plan year 5
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested 0

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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, and MARK PHILPOTT. Includes a second row for the employer/plan sponsor.

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) .....  Yes  No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) .....  Yes  No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? .....  Yes  No  Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 577129. (See instructions.)

<b>Part III Financial Information</b>			
<b>7</b> Plan Assets and Liabilities		<b>(a) Beginning of Year</b>	<b>(b) End of Year</b>
<b>a</b> Total plan assets .....	<b>7a</b>	150000	370501
<b>b</b> Total plan liabilities .....	<b>7b</b>		
<b>c</b> Net plan assets (subtract line 7b from line 7a) .....	<b>7c</b>	150000	370501
<b>8</b> Income, Expenses, and Transfers for this Plan Year		<b>(a) Amount</b>	<b>(b) Total</b>
<b>a</b> Contributions received or receivable from:			
<b>(1)</b> Employers .....	<b>8a(1)</b>	215945	
<b>(2)</b> Participants .....	<b>8a(2)</b>		
<b>(3)</b> Others (including rollovers) .....	<b>8a(3)</b>		
<b>b</b> Other income (loss) .....	<b>8b</b>	5818	
<b>c</b> Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) .....	<b>8c</b>		221763
<b>d</b> Benefits paid (including direct rollovers and insurance premiums to provide benefits) .....	<b>8d</b>		
<b>e</b> Certain deemed and/or corrective distributions (see instructions) .	<b>8e</b>		
<b>f</b> Administrative service providers (salaries, fees, commissions) .....	<b>8f</b>	1262	
<b>g</b> Other expenses .....	<b>8g</b>		
<b>h</b> Total expenses (add lines 8d, 8e, 8f, and 8g) .....	<b>8h</b>		1262
<b>i</b> Net income (loss) (subtract line 8h from line 8c) .....	<b>8i</b>		220501
<b>j</b> Transfers to (from) the plan (see instructions) .....	<b>8j</b>		

<b>Part IV Plan Characteristics</b>	
<b>9a</b>	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: <u>1C 3D</u>
<b>b</b>	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

<b>Part V Compliance Questions</b>				
<b>10</b> During the plan year:		<b>Yes</b>	<b>No</b>	<b>Amount</b>
<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) .....	<b>10a</b>		X	
<b>b</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) .....	<b>10b</b>		X	
<b>c</b> Was the plan covered by a fidelity bond? .....	<b>10c</b>		X	
<b>d</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....	<b>10d</b>		X	
<b>e</b> Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.) .....	<b>10e</b>		X	
<b>f</b> Has the plan failed to provide any benefit when due under the plan? .....	<b>10f</b>		X	
<b>g</b> Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) .....	<b>10g</b>		X	
<b>h</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....	<b>10h</b>		X	
<b>i</b> If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 .....	<b>10i</b>			

**Part VI Pension Funding Compliance**

**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below.  Yes  No

**a** Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a** 0

**b PBGC missed contribution reporting requirements.** If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 \_\_\_\_\_

**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.  Yes  No

**a** 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 letter ruling granting the waiver. Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.**

**b** Enter the minimum required contribution for this plan year **12b**

**c** Enter the amount contributed by the employer to the plan for this plan year **12c**

**d** Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

**e** Will the minimum funding amount reported on line 12d be met by the funding deadline?  Yes  No  N/A

**Part VII Plan Terminations and Transfers of Assets**

**13a** Has a resolution to terminate the plan been adopted in any plan year?  Yes  No

**a** If "Yes," enter the amount of any plan assets that reverted to the employer this year. **13a**

**b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?  Yes  No

**c** 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>13c(1)</b> Name of plan(s):	<b>13c(2)</b> EIN(s)	<b>13c(3)</b> PN(s)

**Part VIII IRS Compliance Questions**

**14a** 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

**14b** 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

**15** 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 07 / 31 / 2021 (MM/DD/YYYY) and the Opinion Letter serial number Q705311A.

<b>SCHEDULE SB</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>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan <u>COSTA ROOFING CASH BALANCE PLAN</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 or 5500-SF <u>COSTA ROOFING</u>	<b>D</b> Employer Identification Number (EIN) <u>82-4603675</u>	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

**Part I Basic Information**

<b>1</b>	Enter the valuation date: Month <u>12</u> Day <u>31</u> Year <u>2024</u>		
<b>2</b>	Assets:		
	<b>a</b> Market value .....	<b>2a</b>	<u>154557</u>
	<b>b</b> Actuarial value .....	<b>2b</b>	<u>154557</u>
<b>3</b>	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	<b>a</b> For retired participants and beneficiaries receiving payment .....	<u>0</u>	<u>0</u>
	<b>b</b> For terminated vested participants .....	<u>0</u>	<u>0</u>
	<b>c</b> For active participants .....	<u>3</u>	<u>615</u>
	<b>d</b> Total .....	<u>3</u>	<u>615</u>
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
	<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>	
<b>5</b>	Effective interest rate .....	<b>5</b>	<u>5.26 %</u>
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>148144</u>
	<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>0</u>
	<b>c</b> Target normal cost .....	<b>6c</b>	<u>148144</u>

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>  Signature of actuary  <u>KASON MCARTHUR, EA, APA</u> Type or print name of actuary  <u>BDH PENSION, INC.</u> Firm name  <u>555 CHORRO ST., SUITE C</u> <u>SAN LUIS OBISPO, CA 93405</u>  Address of the firm	<u>09/14/2025</u> Date  <u>23-08482</u> Most recent enrollment number  <u>805-544-1112</u> Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

<b>Part II Beginning of Year Carryover and Prefunding Balances</b>		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....	0	0
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....	0	0
<b>9</b>	Amount remaining (line 7 minus line 8) .....	0	0
<b>10</b>	Interest on line 9 using prior year's actual return of _____ % .....	0	0
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
<b>a</b>	Present value of excess contributions (line 38a from prior year) .....		129080
<b>b(1)</b>	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.00</u> % .....		0
<b>b(2)</b>	Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		0
<b>c</b>	Total available at beginning of current plan year to add to prefunding balance .....		129080
<b>d</b>	Portion of (c) to be added to prefunding balance .....		0
<b>12</b>	Other reductions in balances due to elections or deemed elections .....	0	0
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....	0	0

<b>Part III Funding Percentages</b>			
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	104.29 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	123.36 %
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	0.00 %
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....	<b>17</b>	%

<b>Part IV Contributions and Liquidity Shortfalls</b>		<b>18 Contributions made to the plan for the plan year by employer(s) and employees:</b>					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
05/30/2025	183457	0					
09/03/2025	32488	0					
			<b>Totals ▶</b>	<b>18(b)</b>	215945	<b>18(c)</b>	0

<b>19</b>	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
<b>a</b>	Contributions allocated toward unpaid minimum required contributions from prior years .....	<b>19a</b>	0
<b>b</b>	Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b>	0
<b>c</b>	Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b>	210388
<b>20</b>	Quarterly contributions and liquidity shortfalls:		
<b>a</b>	Did the plan have a "funding shortfall" for the prior year? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>b</b>	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>c</b>	If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

<b>Part V Assumptions Used to Determine Funding Target and Target Normal Cost</b>				
<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 5.01 %	2nd segment: 5.26 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code) .....				<b>21b</b> 0
<b>22</b> Weighted average retirement age .....				<b>22</b> 62
<b>23</b> Mortality table(s) (see instructions)	<input checked="" type="checkbox"/> Prescribed - combined	<input type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

<b>Part VI Miscellaneous Items</b>				
<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>26</b> Demographic and benefit information				
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....				<b>27</b>

<b>Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b>				
<b>28</b> Unpaid minimum required contributions for all prior years .....				<b>28</b> 0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....				<b>29</b> 0
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....				<b>30</b> 0

<b>Part VIII Minimum Required Contribution For Current Year</b>				
<b>31</b> Target normal cost and excess assets (see instructions):				
<b>a</b> Target normal cost (line 6c) .....				<b>31a</b> 148144
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....				<b>31b</b> 6365
<b>32</b> Amortization installments:	Outstanding Balance		Installment	
<b>a</b> Net shortfall amortization installment .....	0		0	
<b>b</b> Waiver amortization installment.....	0		0	
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount .....				<b>33</b>
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....				<b>34</b> 141779
	Carryover balance	Prefunding balance	Total balance	
<b>35</b> Balances elected for use to offset funding requirement .....				
<b>36</b> Additional cash requirement (line 34 minus line 35) .....				<b>36</b> 141779
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....				<b>37</b> 210388
<b>38</b> Present value of excess contributions for current year (see instructions)				
<b>a</b> Total (excess, if any, of line 37 over line 36)				<b>38a</b> 68609
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....				<b>38b</b> 0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....				<b>39</b> 0
<b>40</b> Unpaid minimum required contributions for all years .....				<b>40</b> 0

<b>Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)</b>				
<b>41</b> If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input type="checkbox"/> 2021				

**Schedule SB, line 22 -  
Description of Weighted Average Retirement Age**

**Costa Roofing Cash Balance Plan**

**82-4603675 / 002**

**For the plan year 01/01/2024 through 12/31/2024**

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The age reported is the weighted average of the assumed retirement ages for all active participants as of the valuation date based on their funding target or target normal cost should the funding target of the plan be zero rounded to the nearest whole age. For an active late retiree, the assumed retirement age may be later than the Plan's normal retirement age. Each participant's rate of retirement is assumed to be 100% of his/her assumed retirement age.

**Schedule SB, line 19 -  
Discounted Employer Contributions**

**Costa Roofing Cash Balance Plan**

**82-4603675 / 002**

**For the plan year 01/01/2024 through 12/31/2024**

**Valuation Date: 12/31/2024**

	Date	Amount	Adjusted Contribution	Adjusted Prior Year Contribution	Adjusted Quarterly	Effective Rate	Penalty Rate
<b>Deposited Contribution</b>	<b>05/30/2025</b>	<b>\$183,457</b>					
Applied to Quarterly Contribution	04/15/2024	4,744	4,410	0	4,744	5.26	10.26
Applied to Quarterly Contribution	07/15/2024	4,744	4,461	0	4,744	5.26	10.26
Applied to Quarterly Contribution	10/15/2024	4,744	4,513	0	4,744	5.26	10.26
Applied to Additional Contribution	12/31/2024	38,016	37,224	0	0	5.26	0.00
Applied to MRC	12/31/2024	126,465	123,829	0	0	5.26	0.00
Applied to Quarterly Contribution	01/15/2025	4,744	4,566	0	4,744	5.26	10.26
<b>Deposited Contribution</b>	<b>09/03/2025</b>	<b>\$32,488</b>					
Applied to Additional Contribution	12/31/2024	32,488	31,385	0	0	5.26	0.00
Totals for Deposited Contribution		\$215,945	\$210,388	\$0	\$18,976		

**ANNUAL FUNDING NOTICE  
FOR  
Costa Roofing Cash Balance Plan**

**Introduction**

This notice provides key details about your pension plan (the “Plan”) for the plan year beginning 01/01/2024 and ending 12/31/2024 (“Plan Year”).

*This is an informational notice. You do not need to respond or take any action.*

This notice includes:

- \* Information about your Plan’s funding status.
- \* Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation(PBGC), a federal insurance agency.

*What if I have questions about this notice or my Plan?*

Contact your plan administrator at:

- \* Mark Philpott
- \* **Phone:** (424) 218-6573
- \* **Address:** 1806 Harper Ave.
- \* **Email:** mark@costarroof.com

To better assist you, provide your plan administrator with the following information when you contact them:

- \* **Plan Number:** 002
- \* **Plan Sponsor Name:** Costa Roofing
- \* **Employer Identification Number:** 82-4603675

*What if I have questions about PBGC and the pension insurance program guarantees?*

Visit [www.pbgc.gov/general/faqs](http://www.pbgc.gov/general/faqs) for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

## How Well Funded Is Your Plan?

The law requires the plan administrator to explain how well the Plan is funded, using a measure called the “funded percentage.” The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the funded percentage, the better funded the plan. Plan liabilities are the present value of the benefits promised by the Plan, determined using a market-related interest assumption. The chart below shows the Plan’s funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan’s assets and liabilities for those years.

<b>Funded Percentage</b>			
1. Last day of relevant plan year	12/31/2024	12/31/2023	12/31/2022
<b>2. Plan Assets</b>			
a. Market Value of Assets	\$154,557	\$0	\$0
b. Contributions Receivable	\$210,388	\$148,057	\$0
c. Total Fair Market Value	\$364,945	\$148,057	\$0
<b>3. Plan Liabilities</b>	<b>\$303,907</b>	<b>\$140,565</b>	<b>\$0</b>
<b>4. Funded percentage (Line 2 ÷ Line 3)</b>	<b>120.1 %</b>	<b>105.3 %</b>	<b>N/A</b>

If the Plan terminates, the Plan’s liabilities calculated by PBGC may be greater than the Plan liabilities shown in the above chart. When PBGC takes over a terminated plan as trustee, it guarantees benefits up to a legal limit. See the section of this notice titled “Benefit Payments Guaranteed by PBGC” for additional information.

## Participant and Beneficiary Information

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding years.

<b>Number of participants and beneficiaries on last day of relevant plan year</b>	12/31/2024	12/31/2023	12/31/2022
1. Last day of relevant plan year	12/31/2024	12/31/2023	12/31/2022
2. Participants currently employed	3	3	N/A
3. Participants and beneficiaries receiving benefits	0	0	N/A
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	0	0	N/A
5. Total number of covered participants and beneficiaries (Lines 2 + 3 + 4 = 5)	3	3	N/A

## Funding & Investment Policies

### *Funding Policy*

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan's funding policy is to make annual contributions approximately equal to the present value of benefits accrued during the year plus an amortization of any funding shortfall. Contributions above this level may be made if they would be deductible under the Internal Revenue Code and employer funds are available.

### *Investment Policy*

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan's investment policy is to emphasize the security and long-term stability of plan assets combined with moderate growth that corresponds to participants' anticipated retirement dates and the liquidity needs of the plan.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

	<b>Asset Allocations</b>	<b>Percentage</b>
1.	Interest-bearing and non-interest bearing cash	0%
2.	U.S. Government Securities	0%
3.	Corporate debt instruments (other than employer securities)	
	Preferred	0%
	All Other	0%
4.	Corporate Stocks (other than employer securities)	
	Preferred	0%
	All Other	0%
5.	Partnership/joint venture interests	0%
6.	Real estate (other than employer real property)	0%
7.	Loans (other than to participants)	0%
8.	Participant loans	0%
9.	Value of interest in Common/collective trusts	0%
10.	Value of interest in pooled separate accounts	0%
11.	Value of interest in master trust investment accounts	0%
12.	Value of interest in 103-12 investment entities	0%
13.	Value of interest in registered investment companies (e.g. mutual funds)	42%
14.	Value of funds held in insurance co. general account (unallocated contracts)	0%
15.	Employer-related investments	
	Employer Securities	0%
	Employer real property	0%
16.	Buildings and other property used in plan operation	0%
17.	Other - Receivable contributions deposited in 2025	58%

The average return on assets for the plan year was 0.00%

## Right to Request a Copy of the Annual Report

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- \* **Online:** Visit [www.efast.dol.gov](http://www.efast.dol.gov) to search for your plan's Form 5500.
- \* **By Mail:** Submit a written request to your plan administrator.
- \* **By Phone:** Call 202-693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

## Termination Rules for Single-Employer Plans

Federal law outlines specific rules for terminating a pension plan. There are three types of terminations:

### *Standard Termination*

An employer can end a plan through a standard termination. However, the plan administrator must prove to PBGC that the plan has enough money to pay all benefits owed to participants.

Under a standard termination, the plan must provide your benefits through one of the following methods:

- \* **Periodic benefits:** The plan buys an annuity from an insurance company, ensuring you receive regular, generally monthly, retirement payments for life. Before purchasing the annuity, your plan administrator will notify you about the selected insurance company.
- \* **Lump-sum payment:** If the plan allows, you may elect a lump-sum payment that covers your entire benefit.

PBGC's guarantee ends once an annuity is purchased, or a lump sum is paid. If the insurance company providing the annuity becomes unable to pay your benefits, the applicable state guaranty association will step in, guaranteeing the annuity to the extent authorized by state law.

### *Distress Termination*

If a plan is not fully funded, the employer may apply for a distress termination. The employer must demonstrate financial distress and prove to either a bankruptcy court or PBGC that the employer's business cannot survive unless the plan is terminated. If approved for a distress termination, PBGC will manage the plan as trustee, allocate the plan's assets based on statutory priority categories, and pay guaranteed benefits up to the legal limits, using the plan's assets and PBGC guarantee funds.

## *Involuntary Termination*

PBGC can terminate a plan on its own in certain situations, such as to protect plan participants or PBGC's insurance program. In these cases, PBGC is appointed trustee and assumes responsibility for the plan.

Learn more about single-employer plan terminations in PBGC's Pension Plan Termination Fact Sheet at <https://www.pbgc.gov/about/factsheets/page/termination>.

## **Benefit Payments Guaranteed by PBGC**

When PBGC takes over a single-employer plan, it pays pension benefits through its insurance program. Only vested benefits—those you've earned and cannot forfeit—are guaranteed. Most participants and beneficiaries receive their full pension benefits, but some people may lose some, or all, non-guaranteed benefits.

### *What PBGC Guarantees*

PBGC guarantees the following "basic benefits" up to limits sets by law:

- \* Pension benefits at normal retirement age.
- \* Most early retirement benefits.
- \* Annuity benefits for survivors of plan participants.
- \* Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

### *What PBGC Does Not Guarantee*

PBGC does not guarantee certain types of benefits, including:

- \* Non-vested benefits, which depend on meeting specific age, service, or other eligibility requirements.
- \* Benefit increases and new benefits in place for less than one year before a plan's termination date, while those in place for less than five years are only partly covered.
- \* Early retirement payments that exceed normal retirement payments, such as supplemental benefits that end when you become eligible for Social Security.
- \* Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.
- \* Lump-sum payments exceeding \$7,000.

## *Determining Guarantee Amounts*

The amount PBGC guarantees is determined as of the plan's termination date. If the plan terminates during the plan sponsor's bankruptcy, the guarantee amount is determined as of the date the sponsor entered bankruptcy.

The maximum benefit PBGC guarantees is set by law and updated annually. Participants and beneficiaries may receive benefits above the PBGC guaranteed amount, but only if the plan has enough funds to pay them.

For a plan with a termination date or sponsor bankruptcy date, as applicable in 2024, the maximum guarantee is \$7,431.82 per month, or \$89,181.84 per year, for a benefit paid to a 65-year-old retiree with no survivor benefit. If a plan terminates during a plan sponsor's bankruptcy, the maximum guarantee is fixed as of the calendar year in which the sponsor entered bankruptcy.

If benefits begin:

- \* Before age 65, the maximum guarantee is lower, reflecting the longer expected payment period for younger retirees.
- \* After age 65, the maximum guarantee is higher.

The guaranteed amount is reduced if a benefit will be paid to a survivor upon the participant's death. Maximum guarantee amounts by age can be found on PBGC's website, <https://www.pbgc.gov/wr/benefits/guaranteed-benefits/maximum-guarantee>.

In determining whether the plan has enough assets to pay benefits above the guaranteed amount, PBGC uses different assumptions than those used to calculate the funded percentage shown in the "[How Well Funded Is Your Plan?](#)" section of this notice. As a result, the additional benefits participants receive may not align with the Plan's reported funded percentage. For example, a plan that reports 80 percent funding based on its own calculations does not mean its participants will receive 80 percent of their vested benefits.

**SMALL PLAN AUDIT WAIVER DISCLOSURE**  
**for**  
**Costa Roofing Cash Balance Plan**

**For the plan year beginning 01/01/2024 and ending 12/31/2024**

The U.S. Department of Labor's regulations require that an independent qualified public accountant audit the plan's financial statements unless certain conditions are met for the audit requirements to be waived. This plan met the audit waiver conditions for the period covered by this Annual Funding Notice and therefore has not had an audit performed. Instead, the following information is provided to assist you in verifying that the assets reported in the Form 5500 were actually held by the plan.

As of the last day of the period covered by this Annual Funding Notice, the plan had \$154,557 invested at Transamerica.

The plan receives year-end statements from these regulated financial institutions that confirm the above information.

Plan participants and beneficiaries have a right, on request and free of charge, to get copies of the financial institution year-end statements and evidence of the fidelity bond. If you want to examine or get copies of the financial institution year-end statements or evidence of the fidelity bond, please contact Mark Philpott.

If you are unable to obtain or examine copies of the regulated financial institution statements or evidence of the fidelity bond, you may contact the regional office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) for assistance by calling toll-free 1-866-444-EBSA (1-866-444-3272). A listing of EBSA regional offices can be found at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). General information regarding the audit waiver conditions applicable to the plan can be found on the U.S. Department of Labor web site at [www.dol.gov/ebsa](http://www.dol.gov/ebsa) under the heading "Frequently Asked Questions."





**Schedule SB, Part V**  
**Statement of Actuarial Assumptions/Methods**

**Costa Roofing Cash Balance Plan**

82-4603675 / 002

For the plan year 01/01/2024 through 12/31/2024

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**401(a)(26) Testing:**

Compensation - Use current compensation to calculate the benefit accrual rate for 401(a)(26)

Testing Age - Normal retirement age or attained age, if older

# Actuarial Certification and Disclosures

## Costa Roofing Cash Balance Plan

For the plan year 01/01/2024 through 12/31/2024

Valuation Date: 12/31/2024

The Actuarial Report is comprised of the Actuarial Communications and Documents listed below for the above reference plan year:

- Valuation report including Plan Provisions and applied Actuarial Assumptions and Methods
- Form 5500 Schedule SB and its attachments
- AFTAP Certification(s)
- Contribution letter/communication
- Any other written, electronic or oral communications with respect to actuarial services provided in connection with the issuance of the valuation report

**Compliance with Actuarial Standards:** The Actuarial Standards of Practice (ASOPs) offer broad guidelines on whether the assumptions, data, methods, and models utilized in the Actuarial Report are suitable for the intended purpose, ensuring they are adequately reasonable, consistent, and comprehensive. As the plan's actuary, I have applied the pertinent ASOPs to assess, document, disclose, and present the Actuarial Report, along with the mentioned materials, to the designated recipients. Details regarding my assessments, comments, modifications, and disclosures are outlined in this report.

**Intended Users and Scope:** The Actuarial Report is exclusively intended for the Plan Sponsor, ERISA Plan Administrator, and Trustee(s) of the Plan. It should not be relied upon for purposes beyond its specified scope, such as ASC Accounting, Participant Distribution, or Plan Termination. The report's focus is on providing the Minimum Required Contribution for the plan year, supporting compliance with Internal Revenue Code Sections 430 and 436.

**Legislative Considerations:** The Actuarial Report takes into account the provisions of the Pension Protection Act of 2006, incorporating modifications introduced by the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA 2010), Moving Ahead for Progress in the 21st Century Act (MAP-21), the Cooperative and Small Employer Charity Pension Flexibility Act of 2014 (CSEC Act), the Highway and Transportation Funding Act of 2014 (HATFA), the Bipartisan Budget Act of 2015 (BBA 15), the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE), the American Rescue Plan Act of 2021 (ARP), the SECURE2.0 Act of 2022, and any other amendments to the funding rules that have been enacted. It's essential to note that the report doesn't assess the likelihood or consequences of potential future changes in laws and regulations.

**Reliability and Quality of Data:** Data, including employer contribution(s) and plan documents, are sourced from the Plan Sponsor, ERISA Plan Administrator, Trustee(s), or their representatives. Data is relied upon for accuracy while quality reviews have been conducted consistent with ASOP 23. Inaccurate data may impact the correctness of the Actuarial Report.

**Asset Valuation Method:** The asset valuation method employed is the Market Value of Assets (MVA). In this method, the Actuarial Value of Assets is determined by utilizing the MVA as of the valuation date, and includes interest-adjusted contribution(s) attributed to the prior plan year for beginning-of-year valuations. For end-of-year valuations, the MVA does not include interest-adjusted contributions made during the plan year and attributable to the plan year. The Actuarial Value of Assets is then reduced by carry-over and pre-funding balances elected by the Plan Sponsor. Consequently, the Market Value of Assets may exhibit a lower funded status even when assets are prudently invested.

**Risk Assessment:** While the Actuarial Report outlines its scope, it is important to acknowledge certain events and anomalies that are now identified to transparently disclose risks and their potential impact on the Plan and its cost. Recognizing that the assessment and disclosure of these risks may reasonably anticipate differences from actual future results, it is crucial to note that these risks can significantly influence pension obligations, actuarially determined contributions, and the funded status of the Plan.

**Investment Risk:** As the return on the plan trust assets is subject to market return, should the actual rate of return be lower than the expected return the cost of the plan will rise and vice versa.

**Interest Rate Risk:** As the prescribed interest segment rates mandated under Section 430 are 24-month averaged rates further constrained to stated corridors change, the valuing of liabilities of the plan benefits are adjusted. If the segment rates are higher than previous years, the impact will be to lower the stated liabilities owed by the plan. This may not align with the payable liabilities and thus, the plan liabilities may need to be reviewed on a plan termination basis. This amount has been estimated by the shortfall on a plan termination basis provided by the Contribution Requirements report included in the annual valuation.

# Actuarial Certification and Disclosures

## Costa Roofing Cash Balance Plan

For the plan year 01/01/2024 through 12/31/2024

Valuation Date: 12/31/2024

**Longevity and Other Demographic Risks:** Cessation from employment due to termination, disability, or death prior to the assumed retirement date under the plan may greatly sway the total liabilities payable from the plan. However, due to the small plan population (fewer than 500 participants), including these more unlikely events under this plan may greatly overstate the plan liabilities and likely cause the plan to be over funded. Thus, these decrements are not considered as in all likelihood, any unfunded benefits owed under the plan may be foregone by the substantial owner.

Actual retirement of plan participants may not directly align with the assumed retirement assumption(s) used to value the liabilities for the minimum required contribution. Typically, if a participant retires earlier than normal retirement, the liabilities will be lower than expected.

**Contribution Risks:** The minimum required contribution as stated in this valuation is mandated. Should this amount go unfunded, the liabilities of this plan will become less covered by its trust assets. The current plan funding policy indicates that the minimum required contribution will be funded; thus, this valuation has not considered the possibility of unpaid contributions. If the Plan Sponsor knows of events that might impact its abilities to fund the minimum required contribution; these events should be discussed and evaluated as to how they may or may not impact the overall funded status of the plan.

**Modeling:** The DATAIR Employee Benefit Systems, Inc. pension system was utilized for computations, leveraging its parameter-driven structure for accurate actuarial results. The decision to use this software was based on its reliability, efficiency, and the Actuary's expertise.

**Actuarial Professional Credentials and Certifications:** I am a member of the American Society of Enrolled Actuaries (ASEA), American Academy of Actuaries, American Society of Pension Professionals and Actuaries (ASPPA) and National Institute of Pension Administrators (NIPA).

I am actively enrolled by the Joint Board of the Enrollment of Actuaries. I am eligible to practice with respect to qualified retirement plans and to furnish the actuarial opinion outlined in the Actuarial Report, adhering to the qualification standards established by the American Academy of Actuaries. Throughout the preparation of the Actuarial Report, there was strict adherence to the guidance outlined in all Actuarial Standards of Practice. There is no discernible connection between the intended users, the Plan, its advisors, my firm, and/or myself that would compromise the impartiality of my findings or my actuarial opinion. Given the intended purpose of the Actuarial Report, there are no restrictions imposed on the report or its findings. To the best of my knowledge, the actuarial opinion and information presented in the Actuarial Report are comprehensive and accurate, developed in accordance with applicable laws and regulations, and align with widely accepted actuarial principles.

**Tax Advice Disclaimer:** Please be aware that if the Actuarial Communications include tax advice, such advice is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of evading any penalties that may be imposed under the Internal Revenue Code or in promoting, marketing, or recommending any entity, investment plan, or arrangement to any taxpayer.

**Adherence to Actuarial Standards:** The content of the Actuarial Report is designed to encompass the necessary elements outlined in Actuarial Standards of Practice Nos. 1, 4, 23, 27, 35, 41, 44, 51, and 56. However, if additional information needs to be disclosed, please reach out to the Actuary directly.

23-08482

Kason S. McArthur, EA, MSPA

Date

Enrollment Number

Enrolled Actuary  
BDH Pension, Inc.  
555 Chorro St., Suite C  
San Luis Obispo, CA 93405  
kason@hickspensionservices.com  
Phone #: (805) 544-1112  
Fax #: (805) 544-8943

**Schedule SB, Part V  
Summary of Plan Provisions**

**Costa Roofing Cash Balance Plan  
82-4603675 / 002**

**For the plan year 01/01/2024 through 12/31/2024**

<b><u>Employer:</u></b>	Costa Roofing		
Type of Entity -	S Corporation		
EIN: 82-4603675	TIN: 82-4603675	Plan #: 002	Plan Type: Cash Balance
<b><u>Dates:</u></b>	Effective - 01/01/2023	Valuation - 12/31/2024	
	Top Heavy Years - 2024		
<b><u>Eligibility:</u></b>	All employees excluding non-resident aliens, members of an excluded class and union		
	Minimum age - 21	Months of service - 12	
Hours Required for -	Eligibility - 1000	Benefit accrual - 1000	Vesting - 1000
Plan Entry -	First day of 1st or 7th month of plan year on or next following eligibility satisfaction		
<b><u>Retirement:</u></b>	Normal -	First of month coincident with or next following attainment of age 62	
	Early -	Not provided	
<b><u>Average Compensation:</u></b>	Current compensation		
Top Heavy Minimum Benefit -	Highest 5 consecutive top heavy years of participation		
<b><u>Plan Benefits:</u></b>	Retirement -	Actuarial equivalent of the hypothetical account balance derived from annual Pay Credits and Interest Credits	
	Pay Credits -	Classification	Pay Credit Formula
		1/1	\$500 - All other Eligible Employees
			\$130,000 - Mark Philpott
Interest Credit Rate -	Current Yr - 5%	Projected Yrs - 5%	
Accrued Benefit -	Hypothetical Account Balance		
	Minimum Benefit -	None	
	Maximum Benefit -	None	
	Maximum allowable distribution is lump sum equivalent of normal form not to exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) plan actuarial equivalence interest and mortality		
Early Retirement -	None		
Death Benefit -	Present Value of Accrued Benefit		
Disability Benefit -	None		
<b><u>Top Heavy Minimum:</u></b>	Provided in another plan		
<b><u>IRS Limitations:</u></b>	415 Limits -	Percent: 100	Dollar: \$275,000
	Maximum 401(a)(17) compensation - \$345,000		
<b><u>PBGC:</u></b>	Plan is covered by Pension Benefit Guaranty Corporation		
<b><u>Normal Form:</u></b>	Life Annuity		
<b><u>Optional Forms:</u></b>	Lump Sum		
	Life Annuity Guaranteed for 10 Years		
	Joint with 50%, 75% or 100% Survivor Benefit		
<b><u>Vesting Schedule:</u></b>	100% vested in 3 years.		
	Service is calculated using all years of service except years prior to plan effective date and age 18		
<b><u>Present Value of Accrued Benefit:</u></b>	Based on the Hypothetical Account Balance.		

**Schedule SB, Part V  
Summary of Plan Provisions**

**Costa Roofing Cash Balance Plan  
82-4603675 / 002**

**For the plan year 01/01/2024 through 12/31/2024**

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**Actuarial Equivalence:**

Pre-Retirement - Interest -	5%
Mortality Table -	None
Post-Retirement - Interest -	5%
Mortality Table -	Applicable Mortality Table - IRC 417(e)(3)

# E-SIGNATURE AUTHORIZATION

for

**Costa Roofing Cash Balance Plan**

**82-4603675/002**

**For Plan Year 01/01/2024 through 12/31/2024**

I/We, the undersigned, understand that a 5500 Series filing for the plan listed above must be prepared, electronically signed and electronically transmitted to the EBSA Electronic Filing Acceptance System (EFAST).

I/We authorize Hicks Pension Services to electronically sign the 5500 Series filing on my/our behalf and to transmit that signed form to EFAST on or before the filing due date.

I/We understand that by granting this authority:

- A manually signed and dated Form 5500-SF that has been provided must be returned to Hicks Pension Services before they can begin the electronic filing process. I/We will retain a copy of this manually signed form and any schedules and attachments in the plan records.
- Hicks Pension Services will not be responsible for any late filing penalty assessed under ERISA should I/we not return the manually signed and dated Form 5500-SF prior to the filing due date.
- An electronic copy of the manually signed and dated Form 5500-SF showing my/our signatures will be included in the electronic filing and will be posted by the EBSA to the Internet for public disclosure.
- Hicks Pension Services will maintain a copy of this written authorization in its records.
- Hicks Pension Services will notify all signers about any inquiries and correspondence it receives about this filing from EFAST, EBSA, IRS or PBGC.
- Hicks Pension Services shall not be deemed to be a plan fiduciary with respect to this plan solely on account of providing the electronic signature and filing of the 5500-SF for the plan year listed above.

\_\_\_\_\_  
Plan Administrator

\_\_\_\_\_  
Plan Sponsor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# Employee Census

## Costa Roofing Cash Balance Plan

For the plan year 01/01/2024 through 12/31/2024

Valuation Date: 12/31/2024

Key	Percent Owner	- SVC -		Gender	— Ages —			_____ Dates _____			Compensation	Hours Worked	HCE	OEX		
		PS	FS		PA	AA	ARA	Birth	Hire	Part					Retire	
<b>Nick Alicea</b> -- terminated 8/9/2024 ineligible - age/svc																
		0	0	M	0	23	0	10/19/01	07/31/24		\$657.25	26.00				
<b>Ailin Arias</b> -- ineligible - minimum service, anticipated participation 7/1/2025																
		0	0	F	0	25	0	01/06/00	04/22/24		\$36,073.96	1,405.00				
<b>Luis Cervera</b> -- ineligible - minimum service																
		0	0	M	0	34	0	04/21/91	11/20/23		\$5,171.04	180.00				
<b>Allyssa Corson</b> -- less than required hours																
		0	28	F	32	34	62	08/09/90	11/15/21	01/01/23	09/01/52	\$9,387.69	280.00	Y		
<b>Bryan Delgado</b> -- ineligible - minimum service																
		0	0	M	0	28	0	05/12/97	03/20/20		\$7,560.00	248.00				
<b>Brock Elam</b> -- ineligible - minimum service																
		0	0	M	0	26	0	08/07/98	10/15/24		\$12,818.87	296.00				
<b>Virginia Escobar</b> -- ineligible - minimum service																
		0	0	F	0	43	0	06/18/82	08/29/24		\$6,000.00	200.00				
<b>Juan Flores</b> -- terminated 2/20/2024 ineligible - age/svc																
		0	0	M	0	44	0	04/19/81	02/12/24		\$1,798.93	47.00				
<b>Wayne Frisby</b> -- ineligible - minimum service																
		0	0	M	0	59	0	08/08/65	12/18/24		\$698.10	23.00				
<b>Gerson Garcia</b> -- ineligible - minimum service																
		0	0	M	0	31	0	05/09/94	08/06/24		\$19,543.37	746.00				
<b>Rigoberto Gonzales</b> -- ineligible - minimum service																
		0	0	M	0	30	0	12/07/94	11/19/24		\$6,109.85	219.00				
<b>Laura Jaramillo</b> -- terminated 5/1/2024 ineligible - age/svc																
		0	0	F	0	46	0	12/03/78	01/23/24		\$12,089.53	472.00				
<b>Antonio Orozco</b> -- terminated 12/30/2024 ineligible - age/svc																
		0	0	M	0	35	0	04/21/90	10/29/24		\$8,226.92	290.00				
<b>Gavin Phillips</b> -- ineligible - minimum service																
		0	0	M	0	55	0	08/04/69	10/08/24		\$9,452.29	164.00				
<b>Mark Philpott</b>																
	Cls - 1 Div - 1	Y	100.00	2	17	M	43	45	62	03/25/80	02/18/18	01/01/23	04/01/42	\$264,999.89	2,080.00	Y
<b>Juan Ramirez</b> -- terminated 12/3/2024 ineligible - age/svc																
		0	0	M	0	34	0	04/08/91	11/20/24		\$1,734.82	37.00				
<b>Eduardo Rodriguez</b> -- terminated 10/16/2024 ineligible - age/svc																
		0	0	M	0	23	0	08/06/01	01/31/24		\$40,622.26	1,347.00				
<b>Daniel Rodriguez Jr</b> -- terminated 10/16/2024 ineligible - age/svc																
		0	0	M	0	30	0	02/20/95	10/16/23		\$48,065.41	1,548.00				
<b>Daniel Rodriguez Sr.</b> -- terminated 10/16/2024 ineligible - age/svc																
		0	0	M	0	53	0	02/26/72	10/16/23		\$53,559.57	1,488.00				

# Employee Census

## Costa Roofing Cash Balance Plan

For the plan year 01/01/2024 through 12/31/2024

Valuation Date: 12/31/2024

Key	Percent Owner	- SVC -		Gender	— Ages —			_____ Dates _____			Compensation	Hours Worked	HCE	OEX
		PS	FS		PA	AA	ARA	Birth	Hire	Part				
<b>Ryan Roesch</b> -- ineligible - minimum service														
	0	0		M	0	31	0	05/10/94	05/06/24		\$67,749.96	939.00		
<b>Jose Ruano</b> -- terminated 10/29/2024 ineligible - age/svc														
	0	0		M	0	59	0	04/16/66	03/27/24		\$44,858.71	1,199.00		
<b>Dean Sager</b> -- active - late retiree														
	2	0		M	65	67	67	02/28/58	09/20/20	01/01/23	01/01/25	\$151,928.92	1,069.00	Y
<b>Dion Santos</b> -- ineligible - participation date in future period, anticipated participation 1/1/2025														
	0	0		M	38	38	0	01/01/87	07/11/23	01/01/25		\$84,512.93	2,616.00	
<b>Dario Soto</b> -- less than required hours														
	0	12		M	48	50	62	12/19/74	03/20/20	01/01/23	01/01/37	\$15,845.51	326.00	
<b>Gabino Soto</b> -- ineligible - minimum service														
	0	0		M	0	44	0	02/19/81	03/20/20			\$15,113.80	379.00	
<b>Lucrecia Soto</b> -- terminated 8/9/2024 BIS - non-vested - non-vested														
	0	0		F	60	62	62	10/18/62	08/23/21	01/01/23	01/01/25	\$1,400.00	40.00	
<b>Magdaleno Soto Gonzalez</b> -- new participant - less than required hours														
	0	22		M	40	40	62	07/21/84	04/24/23	07/01/24	08/01/46	\$13,580.91	357.00	
<b>Francisco Tapia</b> -- terminated 11/29/2024 ineligible - age/svc														
	0	0		M	0	27	0	02/09/98	10/16/24			\$7,143.79	202.00	
<b>Fernando Toro</b> -- ineligible - minimum service														
	0	0		M	0	44	0	06/01/81	07/30/24			\$31,378.54	829.00	
<b>Roman Toro</b> -- ineligible - participation date in future period, anticipated participation 1/1/2025														
	0	0		M	28	28	0	05/22/97	07/10/23	01/01/25		\$59,493.91	2,025.00	
<b>Total:</b>											\$1,037,576.73			

	Count	Compensation
Active Fully Vested Benefits	1	\$151,929
Active Partially Vested Benefits	1	\$9,388
Active Without Vested Benefits	3	\$294,426
Terminated with Vested Benefits	0	\$0
Terminated without Vested Benefits	1	\$1,400
Terminated with Deferred Vested Benefits	0	\$0
Terminated - Paid Out	0	\$0
Currently Receiving Benefits	0	\$0
Inactives	0	\$0
Ineligibles	24	\$580,434

# Employee Census

## Costa Roofing Cash Balance Plan

For the plan year 01/01/2024 through 12/31/2024

Valuation Date: 12/31/2024

Percent — SVC — — Ages — ————— Dates —————  
Key Owner PS FS Gender PA AA ARA Birth Hire Part Retire Compensation Hours Worked HCE OEX

**Key:**

AA=Attained Age	HCE=Highly Compensated Employee
ARA=Assumed Retirement Age	OEX=Otherwise Excludable
BIS=Break in Service	PA=Participation Age
F=Former Key	PS=Past Service
FS=Future Service	

**Administrator of the  
Costa Roofing Cash Balance Plan  
16206 Hawthorne Blvd.  
Lawndale, CA 90260**

**Certification of Adjusted Funding Target Attainment Percentage (AFTAP) for the 2025 Plan Year**

The Pension Protection Act of 2006 (PPA) and Section 436 of the Internal Revenue Code require the calculation of a funding ratio called the Adjusted Funding Target Attainment Percentage (AFTAP) in order to determine whether the Plan is subject to new restrictions on plan amendments, lump sum distributions and benefit accruals.

**Determination of AFTAP as of December 31, 2024**

1. Funding Target plus Target Normal Cost	\$296,336
2. a. Market Value of Assets	\$154,557
b. Discounted Receivable Contributions, Received by AFTAP Certification date	211,017
c. Carryover Balance	0
d. Prefunding Balance	0
3. Funding Target Attainment Percentage (FTAP Exempt) (equals items (2a + 2b) divided by item 1)	123.36%
4. Adjustment for Annuity Purchases for NHCE's during the last 2 years	\$0
5. Adjusted Funding Target Attainment Percentage (AFTAP) (equals items (2a + 2b + 4) divided by items (1 + 4))	123.36%

If FTAP Exempt (Item 3) is greater than or equal to 100% then AFTAP (Item 5) is equal to FTAP Exempt adjusted for Annuity Purchase for NHCE's (Item 4)

23-08482

Kason S. McArthur, EA, MSPA

Date

Enrollment Number

To the best of my knowledge, the information supplied in this certification is complete and accurate. I have relied on the asset, census, and plan provision information that has been provided by the Plan's third party administrator and/or Plan Administrator. Regulations for determining an AFTAP for a plan with an end of year valuation are not issued; however, this certification represents a good faith interpretation of the law.

**SCHEDULE SB  
(Form 5500)**

**Single-Employer Defined Benefit Plan  
Actuarial Information**

OMB No. 1210-0110

**2024**

**This Form is Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan  
Costa Roofing Cash Balance Plan

**B** Three-digit plan number (PN) ▶ 002

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF  
Costa Roofing

**D** Employer Identification Number (EIN)  
82-4603675

**E** Type of plan:  Single  Multiple-A  Multiple-B **F** Prior year plan size:  100 or fewer  101-500  More than 500

**Part I Basic Information**

**1** Enter the valuation date: Month 12 Day 31 Year 2024

<b>2</b> Assets:		
<b>a</b> Market value .....	<b>2a</b>	<u>154,557</u>
<b>b</b> Actuarial value .....	<b>2b</b>	<u>154,557</u>

<b>3</b> Funding target/participant count breakdown:	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment ....	<u>0</u>	<u>0</u>	<u>0</u>
<b>b</b> For terminated vested participants .....	<u>0</u>	<u>0</u>	<u>0</u>
<b>c</b> For active participants .....	<u>3</u>	<u>615</u>	<u>148,192</u>
<b>d</b> Total .....	<u>3</u>	<u>615</u>	<u>148,192</u>

<b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) .....	<input type="checkbox"/>	
<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>	

<b>5</b> Effective interest rate .....	<b>5</b>	<u>5.26 %</u>
<b>6</b> Target normal cost		
<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>148,144</u>
<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>0</u>
<b>c</b> Target normal cost .....	<b>6c</b>	<u>148,144</u>

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN  
HERE**

Signature of actuary

Kason McArthur, EA, APA

Type or print name of actuary

BDH Pension, Inc.

Firm name

555 Chorro St., Suite C

US San Luis Obispo CA 93405

Address of the firm

09/14/2025

Date

23-08482

Most recent enrollment number

(805) 544-1112

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions



**Part V Assumptions Used To Determine Funding Target and Target Normal Cost**

<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 5.01 %	2nd segment: 5.26 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code)				<b>21b</b> 0
<b>22</b> Weighted average retirement age				<b>22</b> 62
<b>23</b> Mortality table(s) (see instructions)	<input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute			

**Part VI Miscellaneous items**

<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>26</b> Demographic and benefit information	
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	<b>27</b>

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

<b>28</b> Unpaid minimum required contributions for all prior years	<b>28</b>	0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	<b>29</b>	0
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	<b>30</b>	0

**Part VIII Minimum Required Contribution For Current Year**

<b>31</b> Target normal cost and excess assets (see instructions):			
<b>a</b> Target normal cost (line 6c)	<b>31a</b>	148,144	
<b>b</b> Excess assets, if applicable, but not greater than line 31a	<b>31b</b>	6,365	
<b>32</b> Amortization installments:	Outstanding Balance		Installment
<b>a</b> Net shortfall amortization installment	0		0
<b>b</b> Waiver amortization installment	0		0
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	<b>33</b>		
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	<b>34</b>	141,779	
		Carryover balance	Prefunding Balance
<b>35</b> Balances elected for use to offset funding requirement			Total balance
<b>36</b> Additional cash requirement (line 34 minus line 35)	<b>36</b>	141,779	
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	<b>37</b>	210,388	
<b>38</b> Present value of excess contributions for current year (see instructions)			
<b>a</b> Total (excess, if any, of line 37 over line 36)	<b>38a</b>	68,609	
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	<b>38b</b>	0	
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	<b>39</b>	0	
<b>40</b> Unpaid minimum required contributions for all years	<b>40</b>	0	

**Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)**

<b>41</b> If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies.	<input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input type="checkbox"/> 2021
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