# 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

**2017**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

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

**D** Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

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

**1a** Name of plan
SATICOY LEMON ASSOCIATION 401(K) PROFIT SHARING PLAN

**1b** Three-digit plan number (PN) ▶ 002

**1c** Effective date of plan 01/01/2005

**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)
SATICOY LEMON ASSOCIATION

PO BOX 46
SANTA PAULA, CA 93061

**2b** Employer Identification Number (EIN)
95-1193510

**2c** Plan Sponsor's telephone number
805-654-6500

**2d** Business code (see instructions)
115110

**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.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/13/2018 | JERRY POGORZELSKI |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**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

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 313 |
| **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 | **6a(1)** | 277 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 199 |
| **b** Retired or separated participants receiving benefits | **6b** | 0 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 128 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 327 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** Total. Add lines **6d** and **6e**. | **6f** | 327 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 326 |
| **h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 1 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

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

2E 2F 2G 2J 2K 2T 3D

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

**9a** Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] 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**

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **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 2017 Form M-1 annual report. If the plan was not required to file the 2017 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) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2017**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
SATICOY LEMON ASSOCIATION 401(K) PROFIT SHARING PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
SATICOY LEMON ASSOCIATION

**D** Employer Identification Number (EIN)
95-1193510

## 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).. . . . . [X] 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

AMERICAN FUNDS

95-1411037

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

PRINCIPAL

42-1520346

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

T. ROWE PRICE

52-2264646

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

EAGLE FUNDS

59-2385219

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

SCOUT

43-1270132

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

VICTORY

13-2700161

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

LAZARD

20-4571006

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

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

**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)

WELLS FARGO BANK, N.A.

94-1347393

| (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? |
|---|---|---|---|---|---|---|
| 15 21 49 50 60 62 63 64 | SERVICE PROVIDER | 25743 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [X] |

**(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 [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(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 [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**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)

| **(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 ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(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 ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(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 ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## 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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan 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.**

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
SATICOY LEMON ASSOCIATION 401(K) PROFIT SHARING PLAN

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

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
SATICOY LEMON ASSOCIATION

**D** Employer Identification Number (EIN)
95-1193510

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN FUND F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 46-6933767-001 | C | 626449 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/MFS VALUE CIT F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 45-6648640-001 | C | 69281 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET TODAY CIT F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 27-6745185-001 | C | 400472 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2010 CIT F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 27-6745191-001 | C | 399646 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2015 CIT F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 27-6745203-001 | C | 1113259 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2020 CIT F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 27-6745217-001 | C | 1851480 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2025 CIT F

**b** Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 27-6745238-001 | C | 1088856 |

| | | | |
|---|---|---|---|
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2030 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 27-6745249-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 771662 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2035 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 27-6745261-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 725226 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2040 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 27-6745274-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 121806 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2045 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 27-6745287-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 140722 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2050 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 27-6745297-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 41359 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2055 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 45-7008802-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 66392 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO TARGET 2060 CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 47-6668828-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 14047 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WELLS FARGO CORE BOND FUND | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 94-3222878-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 339968 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WF/BLACKROCK S&P 500 INDEX CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 94-3224211-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 228200 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WF/BLACKROCK US AGG BOND IND CIT F | | |
| **b** Name of sponsor of entity listed in (a): | WELLS FARGO BANK, N.A. | | |
| **c** EIN-PN 20-5699010-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 284037 |

## Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

# 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

**2017**

**This Form is Open to Public Inspection**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
SATICOY LEMON ASSOCIATION 401(K) PROFIT SHARING PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
SATICOY LEMON ASSOCIATION

**D** Employer Identification Number (EIN)
95-1193510

## 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) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(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) | 6627562 | 8282862 |
| **(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) | 824729 | 814621 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(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 | 7452291 | 9097483 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 7452291 | 9097483 |

## 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) | 436893 | |
| | **(B)** Participants | 2a(1)(B) | 363607 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 126399 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 926899 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 0 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 4142 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 4142 |
| | **(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) | | 0 |
| | **(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) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 811943 |
| (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) | | 215169 |
| c Other income | 2c | | -3 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1958150 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 285213 | |
| (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) | | 285213 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | 27745 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 27745 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 312958 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 1645192 |
| 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)** [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: SOREN MCADAM, LLP **(2)** EIN: 77-0549163

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, 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.

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.) | 4a | | 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.) | 4b | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| 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.) | 4c | | 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.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | 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? | 4f | | 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? | 4g | | 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? | 4h | | 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.) | 4i | 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.) | 4j | | 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? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | X | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |

**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** 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_____. (See instructions.)

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

**2017**

**This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

**A** Name of plan
SATICOY LEMON ASSOCIATION 401(K) PROFIT SHARING PLAN

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

**C** Plan sponsor's name as shown on line 2a of Form 5500
SATICOY LEMON ASSOCIATION

**D** Employer Identification Number (EIN)
95-1193510

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

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

EIN(s): 41-6257133

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

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

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

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

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

## Part III Amendments

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

## Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

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

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

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

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

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

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

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

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

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

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

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

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

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

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

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

# Saticoy Lemon Association
# 401(k) / Profit Sharing Plan

**Financial Statements**

**and**

**Supplemental Schedule**

**with**

**Independent Auditors' Report**

**December 31, 2017 and 2016**

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SorenMcAdam

## Independent Auditors' Report

To the Board of Directors of the
Saticoy Lemon Association 401(k) / Profit Sharing Plan

### Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Saticoy Lemon Association 401(k) / Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

#### *Management's Responsibility for the Financial Statements*

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the Trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

#### *Disclaimer of Opinion*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



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***Other Matter***

The supplemental schedule on page 11 as of December 31, 2017, is required by the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Soren McAdam LLP

Redlands, California
July 12, 2018

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Statements of Net Assets Available for Benefits

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| ASSETS | | |
| **Investments** | $ 9,097,483 | $ 7,452,291 |
| Net assets available for benefits | $ 9,097,483 | $ 7,452,291 |

See accompanying notes to financial statements.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Statement of Changes in Net Assets Available for Benefits

### Year Ended December 31, 2017

| | |
|---|---|
| **Contributions** | |
| Employer | $ 436,893 |
| Participants | 363,607 |
| Rollover | 126,399 |
| Total contributions | 926,899 |
| **Investment income** | |
| Dividend income | 4,142 |
| Net appreciation in fair value of investments | 1,024,918 |
| Total investment income | 1,029,060 |
| **Benefits paid to participants** | (285,213) |
| **Other** | |
| Administrative expenses | (27,748) |
| Other income | 2,194 |
| | (25,554) |
| Change in net assets available for benefits | 1,645,192 |
| **Net assets available for benefits** | |
| Balance, December 31, 2016 | 7,452,291 |
| Balance, December 31, 2017 | $ 9,097,483 |

See accompanying notes to financial statements.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Notes to Financial Statements

### 1. Description of the Plan

The following description of the Saticoy Lemon Association 401(k) / Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

**General**

The Plan is a defined contribution plan providing benefits to all employees of Saticoy Lemon Association (the Association) who have completed six months of service following the employee's employment commencement date, are age eighteen or older, are not governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, are not a nonresident alien who received no earned income from the Association from United States sources, and are not a leased employee or a temporary employee. Additionally, employees who had attained age 60 at December 31, 2004 and who are 100 percent vested in the Saticoy Lemon Defined Benefit Plan are ineligible to participate in the Plan.

**Contributions**

Under the provisions of the Plan, each active participant may enter into a salary deferral agreement with the Association deferring up to the maximum allowable amount as determined yearly by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

The Plan is considered a safe harbor plan in which all eligible employees are credited with three percent of eligible wages. The Association may also make an additional discretionary match not to exceed six percent of the participant's wages, as determined by the Association's Board of Directors at their sole discretion. For the year ended December 31, 2017, the Association elected to match one-third (up to two percent of eligible wages) of the participant's elective deferrals on the first six percent of eligible wages.

The Association may make a profit sharing contribution, which is discretionary, and shall be allocated as a uniform percentage of participant compensation. For the year ended December 31, 2017, the Association elected not to make a profit sharing contribution.

**Participant Accounts**

An account is maintained for each participant. Each participant's account is credited with the participant's contributions, the Association's contributions, and participant's Plan earnings and losses.

**Vesting**

Participants are immediately vested in their contributions, safe harbor match, and earnings thereon. Vesting in the additional discretionary match, profit sharing contributions and earnings thereon is based on years of service. A year of service is given for each Plan year in which a participant performs 1,000 or more hours of service. After two years of service, a participant becomes 20 percent vested. Each service year thereafter will increase the participant's vesting by 20 percent, with 100 percent vesting after six years.

**1. Description of the Plan** (Continued)

**Investment Options**

Each participant directs employee and Association contributions to his or her account in investment options offered by the Plan. These investment options are comprised of various mutual funds and collective trust funds.

**Payment of Benefits**

Each participant is to receive a distribution of the entire value of his or her account as a single sum payment unless they are employed and are required to receive Required Minimum Distributions, in which case, they may elect to receive installments payable monthly, quarterly, or annually.

**Forfeited Accounts**

At December 31, 2017 and 2016 there were no forfeited nonvested account balances. Forfeited funds are available to pay plan expenses or reduce future Association profit sharing contributions or Association additional matching contributions. During the year ended December 31, 2017, $127 of forfeitures were used to pay plan expenses.

**2. Summary of Accounting Policies**

The preparation of these financial statements requires Plan management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of net assets available for benefits, net appreciation in fair value of investments, as well as disclosures of contingent assets and liabilities. Actual results could differ from those estimates. Plan management has considered events occurring through July 12, 2018 in its evaluation of the conditions on which estimates were based or for changes in conditions subsequent to the date of the statement of net assets available for benefits, which should be disclosed. The financial statements were available to be issued at this date.

Plan management also determines the accounting principles to be used in the preparation of financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows:

**Basis of Accounting**

The financial statements of the Plan are prepared under the accrual method of accounting.

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Association's Board of Directors determines the Plan's valuation policies utilizing information provided by the investment advisors. See Note 4 for fair value measurements.

Purchases and sales of securities are recorded on the trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold, as well as investments held during the year.

**2. Summary of Accounting Policies** (Continued)

**Risks and Uncertainties**

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

**Payment of Benefits**

Benefits are recorded when paid.

**Expenses**

Certain expenses of maintaining the Plan are paid directly by the Association and are excluded from these financial statements. Investment related expenses are included in administrative expenses in the statement of changes in net assets available for benefits.

**3. Information Certified by the Trustee (Unaudited)**

At December 31, 2017 and 2016, the Plan's investments were held by the Trustee. The following is a summary of the Plan's financial information that is included in the financial statements based on the information certified by the Trustee as complete and accurate in accordance with Section 2520.103-5(c) of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA).

| | 2017 | 2016 |
|---|---|---|
| Investments | | |
| Collective trust funds | $ 8,282,862 | $ 6,627,561 |
| Mutual funds | 814,621 | 824,730 |
| | $ 9,097,483 | $ 7,452,291 |
| Investment income | | |
| Dividend income | $ 4,142 | |
| Net appeciation in fair value of investments | 1,024,918 | |
| | $ 1,029,060 | |

**4. Fair Value Measurements**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2017 and 2016.

*Mutual funds*: Valued at the daily closing price as reported by the fund, which represents the net asset value (NAV) of shares held by the Plan at year end.

*Collective trust funds*: Valued at the NAV of units held by the Plan in the bank collective trust fund. The NAV is based on the fair value of the underlying investments held by the collective trust fund less its liabilities.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**4. Fair Value Measurements** (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2017:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Collective trust funds | $ – | $ 8,282,862 | $ – | $ 8,282,862 |
| Mutual funds | 814,621 | – | – | 814,621 |
| Total investments at fair value | $ 814,621 | $ 8,282,862 | $ – | $ 9,097,483 |

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2016:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Collective trust funds | $ – | $ 6,627,561 | $ – | $ 6,627,561 |
| Mutual funds | 824,730 | | – | 824,730 |
| Total investments at fair value | $ 824,730 | $ 6,627,561 | $ – | $ 7,452,291 |

**5. Related-Party and Party-In-Interest Transactions**

The Plan invests in shares of mutual funds and collective trust funds managed by an affiliate of Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. acts as Trustee for only those investments as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions which are exempt from the prohibited transaction rules. Fees incurred by the Plan for investment management services are included in administrative expenses in the statement of changes in net assets available for benefits. The Association directly pays any other fees related to the Plan's operations.

**6. Tax Status**

The Plan obtained an opinion letter dated March 31, 2014, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the opinion letter. However, the Plan Trustee and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2014.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Notes to Financial Statements

### 7. Plan Termination

Although it has not expressed any intent to do so, the Association has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their Association discretionary matching contributions and discretionary profit sharing contributions.

# Supplemental Schedule

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## EIN #95-1193510 Plan 002

## Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

**December 31, 2017**

| | (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | (d) Cost ** | (e) Current Value |
|---|---|---|---|---|---|
| | | **Mutual funds** | | | |
| | | T. Rowe Price | T. Rowe Price Blue Chip Fund | | $ 268,817 |
| | | American Funds | American Funds Europacific Growth R6 | | 150,037 |
| | | Victory Sycamore | Victory Sycamore Small Co Opp Fund | | 183,537 |
| | | Carillon | Carillon Eagle Small Cap Growth Fund R6 | | 151,121 |
| | | Principal | Principal MidCap F-R5 | | 38,370 |
| | | Lazard | Lazard Intl Equity Portfolio R6 | | 14,460 |
| | | Carillon | Carillon Scout Mid Cap Fund | | 8,279 |
| | | Total investments held in mutual funds | | | 814,621 |
| | | **Collective trust funds** | | | |
| * | | Wells Fargo | Wells Fargo Target 2020 CIT F | | 1,851,480 |
| * | | Wells Fargo | Wells Fargo Target 2015 CIT F | | 1,113,259 |
| * | | Wells Fargo | Wells Fargo Target 2025 CIT F | | 1,088,856 |
| * | | Wells Fargo | Wells Fargo Target 2030 CIT F | | 771,662 |
| * | | Wells Fargo | Wells Fargo Target 2035 CIT F | | 725,226 |
| * | | Wells Fargo | Wells Fargo Stable Return Fund F | | 626,449 |
| * | | Wells Fargo | Wells Fargo Target Today CIT F | | 400,472 |
| * | | Wells Fargo | Wells Fargo Core Bond CIT F | | 339,968 |
| * | | Wells Fargo | Wells Fargo Target 2010 CIT F | | 399,646 |
| * | | Wells Fargo | Wells Fargo Blackrock US Agg Bond Index CIT F | | 284,037 |
| * | | Wells Fargo | Wells Fargo Blackrock S&P 500 Index CIT F | | 228,200 |
| * | | Wells Fargo | Wells Fargo Target 2045 CIT F | | 140,722 |
| * | | Wells Fargo | Wells Fargo Target 2040 CIT F | | 121,806 |
| * | | Wells Fargo | Wells Fargo Target 2055 CIT F | | 66,392 |
| * | | Wells Fargo | Wells Fargo MFS Value CIT F | | 69,281 |
| * | | Wells Fargo | Wells Fargo Target 2050 CIT F | | 41,359 |
| * | | Wells Fargo | Wells Fargo Target 2060 CIT F | | 14,047 |
| | | Total investments held in collective trust funds | | | 8,282,862 |
| | | | | | $ 9,097,483 |

* A party-in-interest as defined by ERISA

** Cost omitted due to participant-directed investments

# Saticoy Lemon Association
# 401(k) / Profit Sharing Plan

**Financial Statements**

**and**

**Supplemental Schedule**

**with**

**Independent Auditors' Report**

**December 31, 2017 and 2016**

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## Independent Auditors' Report

To the Board of Directors of the
Saticoy Lemon Association 401(k) / Profit Sharing Plan

### Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Saticoy Lemon Association 401(k) / Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

#### *Management's Responsibility for the Financial Statements*

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the Trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

#### *Disclaimer of Opinion*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



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***Other Matter***

The supplemental schedule on page 11 as of December 31, 2017, is required by the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Soren McAdam LLP

Redlands, California
July 12, 2018

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Statements of Net Assets Available for Benefits

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| ASSETS | | |
| **Investments** | $ 9,097,483 | $ 7,452,291 |
| Net assets available for benefits | $ 9,097,483 | $ 7,452,291 |

See accompanying notes to financial statements.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Statement of Changes in Net Assets Available for Benefits

### Year Ended December 31, 2017

| | |
|---|---|
| **Contributions** | |
| Employer | $ 436,893 |
| Participants | 363,607 |
| Rollover | 126,399 |
| Total contributions | 926,899 |
| **Investment income** | |
| Dividend income | 4,142 |
| Net appreciation in fair value of investments | 1,024,918 |
| Total investment income | 1,029,060 |
| **Benefits paid to participants** | (285,213) |
| **Other** | |
| Administrative expenses | (27,748) |
| Other income | 2,194 |
| | (25,554) |
| Change in net assets available for benefits | 1,645,192 |
| **Net assets available for benefits** | |
| Balance, December 31, 2016 | 7,452,291 |
| Balance, December 31, 2017 | $ 9,097,483 |

See accompanying notes to financial statements.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Notes to Financial Statements

### 1. Description of the Plan

The following description of the Saticoy Lemon Association 401(k) / Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

**General**

The Plan is a defined contribution plan providing benefits to all employees of Saticoy Lemon Association (the Association) who have completed six months of service following the employee's employment commencement date, are age eighteen or older, are not governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, are not a nonresident alien who received no earned income from the Association from United States sources, and are not a leased employee or a temporary employee. Additionally, employees who had attained age 60 at December 31, 2004 and who are 100 percent vested in the Saticoy Lemon Defined Benefit Plan are ineligible to participate in the Plan.

**Contributions**

Under the provisions of the Plan, each active participant may enter into a salary deferral agreement with the Association deferring up to the maximum allowable amount as determined yearly by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

The Plan is considered a safe harbor plan in which all eligible employees are credited with three percent of eligible wages. The Association may also make an additional discretionary match not to exceed six percent of the participant's wages, as determined by the Association's Board of Directors at their sole discretion. For the year ended December 31, 2017, the Association elected to match one-third (up to two percent of eligible wages) of the participant's elective deferrals on the first six percent of eligible wages.

The Association may make a profit sharing contribution, which is discretionary, and shall be allocated as a uniform percentage of participant compensation. For the year ended December 31, 2017, the Association elected not to make a profit sharing contribution.

**Participant Accounts**

An account is maintained for each participant. Each participant's account is credited with the participant's contributions, the Association's contributions, and participant's Plan earnings and losses.

**Vesting**

Participants are immediately vested in their contributions, safe harbor match, and earnings thereon. Vesting in the additional discretionary match, profit sharing contributions and earnings thereon is based on years of service. A year of service is given for each Plan year in which a participant performs 1,000 or more hours of service. After two years of service, a participant becomes 20 percent vested. Each service year thereafter will increase the participant's vesting by 20 percent, with 100 percent vesting after six years.

**1. Description of the Plan** (Continued)

**Investment Options**

Each participant directs employee and Association contributions to his or her account in investment options offered by the Plan. These investment options are comprised of various mutual funds and collective trust funds.

**Payment of Benefits**

Each participant is to receive a distribution of the entire value of his or her account as a single sum payment unless they are employed and are required to receive Required Minimum Distributions, in which case, they may elect to receive installments payable monthly, quarterly, or annually.

**Forfeited Accounts**

At December 31, 2017 and 2016 there were no forfeited nonvested account balances. Forfeited funds are available to pay plan expenses or reduce future Association profit sharing contributions or Association additional matching contributions. During the year ended December 31, 2017, $127 of forfeitures were used to pay plan expenses.

**2. Summary of Accounting Policies**

The preparation of these financial statements requires Plan management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of net assets available for benefits, net appreciation in fair value of investments, as well as disclosures of contingent assets and liabilities. Actual results could differ from those estimates. Plan management has considered events occurring through July 12, 2018 in its evaluation of the conditions on which estimates were based or for changes in conditions subsequent to the date of the statement of net assets available for benefits, which should be disclosed. The financial statements were available to be issued at this date.

Plan management also determines the accounting principles to be used in the preparation of financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows:

**Basis of Accounting**

The financial statements of the Plan are prepared under the accrual method of accounting.

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Association's Board of Directors determines the Plan's valuation policies utilizing information provided by the investment advisors. See Note 4 for fair value measurements.

Purchases and sales of securities are recorded on the trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold, as well as investments held during the year.

**2. Summary of Accounting Policies** (Continued)

**Risks and Uncertainties**

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

**Payment of Benefits**

Benefits are recorded when paid.

**Expenses**

Certain expenses of maintaining the Plan are paid directly by the Association and are excluded from these financial statements. Investment related expenses are included in administrative expenses in the statement of changes in net assets available for benefits.

**3. Information Certified by the Trustee (Unaudited)**

At December 31, 2017 and 2016, the Plan's investments were held by the Trustee. The following is a summary of the Plan's financial information that is included in the financial statements based on the information certified by the Trustee as complete and accurate in accordance with Section 2520.103-5(c) of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA).

| | 2017 | 2016 |
|---|---|---|
| Investments | | |
| Collective trust funds | $ 8,282,862 | $ 6,627,561 |
| Mutual funds | 814,621 | 824,730 |
| | $ 9,097,483 | $ 7,452,291 |
| Investment income | | |
| Dividend income | $ 4,142 | |
| Net appeciation in fair value of investments | 1,024,918 | |
| | $ 1,029,060 | |

**4. Fair Value Measurements**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2017 and 2016.

*Mutual funds*: Valued at the daily closing price as reported by the fund, which represents the net asset value (NAV) of shares held by the Plan at year end.

*Collective trust funds*: Valued at the NAV of units held by the Plan in the bank collective trust fund. The NAV is based on the fair value of the underlying investments held by the collective trust fund less its liabilities.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**4. Fair Value Measurements** (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2017:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Collective trust funds | $ – | $ 8,282,862 | $ – | $ 8,282,862 |
| Mutual funds | 814,621 | – | – | 814,621 |
| Total investments at fair value | $ 814,621 | $ 8,282,862 | $ – | $ 9,097,483 |

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2016:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Collective trust funds | $ – | $ 6,627,561 | $ – | $ 6,627,561 |
| Mutual funds | 824,730 | | – | 824,730 |
| Total investments at fair value | $ 824,730 | $ 6,627,561 | $ – | $ 7,452,291 |

**5. Related-Party and Party-In-Interest Transactions**

The Plan invests in shares of mutual funds and collective trust funds managed by an affiliate of Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. acts as Trustee for only those investments as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions which are exempt from the prohibited transaction rules. Fees incurred by the Plan for investment management services are included in administrative expenses in the statement of changes in net assets available for benefits. The Association directly pays any other fees related to the Plan's operations.

**6. Tax Status**

The Plan obtained an opinion letter dated March 31, 2014, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the opinion letter. However, the Plan Trustee and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2014.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Notes to Financial Statements

### 7. Plan Termination

Although it has not expressed any intent to do so, the Association has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their Association discretionary matching contributions and discretionary profit sharing contributions.

# Supplemental Schedule

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## EIN #95-1193510 Plan 002

## Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

**December 31, 2017**

| | (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | (d) Cost ** | (e) Current Value |
|---|---|---|---|---|---|
| | | **Mutual funds** | | | |
| | | T. Rowe Price | T. Rowe Price Blue Chip Fund | | $ 268,817 |
| | | American Funds | American Funds Europacific Growth R6 | | 150,037 |
| | | Victory Sycamore | Victory Sycamore Small Co Opp Fund | | 183,537 |
| | | Carillon | Carillon Eagle Small Cap Growth Fund R6 | | 151,121 |
| | | Principal | Principal MidCap F-R5 | | 38,370 |
| | | Lazard | Lazard Intl Equity Portfolio R6 | | 14,460 |
| | | Carillon | Carillon Scout Mid Cap Fund | | 8,279 |
| | | Total investments held in mutual funds | | | 814,621 |
| | | **Collective trust funds** | | | |
| * | | Wells Fargo | Wells Fargo Target 2020 CIT F | | 1,851,480 |
| * | | Wells Fargo | Wells Fargo Target 2015 CIT F | | 1,113,259 |
| * | | Wells Fargo | Wells Fargo Target 2025 CIT F | | 1,088,856 |
| * | | Wells Fargo | Wells Fargo Target 2030 CIT F | | 771,662 |
| * | | Wells Fargo | Wells Fargo Target 2035 CIT F | | 725,226 |
| * | | Wells Fargo | Wells Fargo Stable Return Fund F | | 626,449 |
| * | | Wells Fargo | Wells Fargo Target Today CIT F | | 400,472 |
| * | | Wells Fargo | Wells Fargo Core Bond CIT F | | 339,968 |
| * | | Wells Fargo | Wells Fargo Target 2010 CIT F | | 399,646 |
| * | | Wells Fargo | Wells Fargo Blackrock US Agg Bond Index CIT F | | 284,037 |
| * | | Wells Fargo | Wells Fargo Blackrock S&P 500 Index CIT F | | 228,200 |
| * | | Wells Fargo | Wells Fargo Target 2045 CIT F | | 140,722 |
| * | | Wells Fargo | Wells Fargo Target 2040 CIT F | | 121,806 |
| * | | Wells Fargo | Wells Fargo Target 2055 CIT F | | 66,392 |
| * | | Wells Fargo | Wells Fargo MFS Value CIT F | | 69,281 |
| * | | Wells Fargo | Wells Fargo Target 2050 CIT F | | 41,359 |
| * | | Wells Fargo | Wells Fargo Target 2060 CIT F | | 14,047 |
| | | Total investments held in collective trust funds | | | 8,282,862 |
| | | | | | $ 9,097,483 |

* A party-in-interest as defined by ERISA

** Cost omitted due to participant-directed investments

# Saticoy Lemon Association
# 401(k) / Profit Sharing Plan

**Financial Statements**

**and**

**Supplemental Schedule**

**with**

**Independent Auditors' Report**

**December 31, 2017 and 2016**

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## Independent Auditors' Report

To the Board of Directors of the
Saticoy Lemon Association 401(k) / Profit Sharing Plan

### Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Saticoy Lemon Association 401(k) / Profit Sharing Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

#### *Management's Responsibility for the Financial Statements*

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the Trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

#### *Disclaimer of Opinion*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



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***Other Matter***

The supplemental schedule on page 11 as of December 31, 2017, is required by the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Soren McAdam LLP

Redlands, California
July 12, 2018

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Statements of Net Assets Available for Benefits

| | December 31, | |
|---|---|---|
| | **2017** | **2016** |
| ASSETS | | |
| **Investments** | $ 9,097,483 | $ 7,452,291 |
| Net assets available for benefits | $ 9,097,483 | $ 7,452,291 |

See accompanying notes to financial statements.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Statement of Changes in Net Assets Available for Benefits

### Year Ended December 31, 2017

| | |
|---|---|
| **Contributions** | |
| Employer | $ 436,893 |
| Participants | 363,607 |
| Rollover | 126,399 |
| Total contributions | 926,899 |
| **Investment income** | |
| Dividend income | 4,142 |
| Net appreciation in fair value of investments | 1,024,918 |
| Total investment income | 1,029,060 |
| **Benefits paid to participants** | (285,213) |
| **Other** | |
| Administrative expenses | (27,748) |
| Other income | 2,194 |
| | (25,554) |
| Change in net assets available for benefits | 1,645,192 |
| **Net assets available for benefits** | |
| Balance, December 31, 2016 | 7,452,291 |
| Balance, December 31, 2017 | $ 9,097,483 |

See accompanying notes to financial statements.

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Notes to Financial Statements

### 1. Description of the Plan

The following description of the Saticoy Lemon Association 401(k) / Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

**General**

The Plan is a defined contribution plan providing benefits to all employees of Saticoy Lemon Association (the Association) who have completed six months of service following the employee's employment commencement date, are age eighteen or older, are not governed by a collective bargaining agreement under which retirement benefits were the subject of good faith bargaining, are not a nonresident alien who received no earned income from the Association from United States sources, and are not a leased employee or a temporary employee. Additionally, employees who had attained age 60 at December 31, 2004 and who are 100 percent vested in the Saticoy Lemon Defined Benefit Plan are ineligible to participate in the Plan.

**Contributions**

Under the provisions of the Plan, each active participant may enter into a salary deferral agreement with the Association deferring up to the maximum allowable amount as determined yearly by the Internal Revenue Service. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

The Plan is considered a safe harbor plan in which all eligible employees are credited with three percent of eligible wages. The Association may also make an additional discretionary match not to exceed six percent of the participant's wages, as determined by the Association's Board of Directors at their sole discretion. For the year ended December 31, 2017, the Association elected to match one-third (up to two percent of eligible wages) of the participant's elective deferrals on the first six percent of eligible wages.

The Association may make a profit sharing contribution, which is discretionary, and shall be allocated as a uniform percentage of participant compensation. For the year ended December 31, 2017, the Association elected not to make a profit sharing contribution.

**Participant Accounts**

An account is maintained for each participant. Each participant's account is credited with the participant's contributions, the Association's contributions, and participant's Plan earnings and losses.

**Vesting**

Participants are immediately vested in their contributions, safe harbor match, and earnings thereon. Vesting in the additional discretionary match, profit sharing contributions and earnings thereon is based on years of service. A year of service is given for each Plan year in which a participant performs 1,000 or more hours of service. After two years of service, a participant becomes 20 percent vested. Each service year thereafter will increase the participant's vesting by 20 percent, with 100 percent vesting after six years.

**1. Description of the Plan** (Continued)

**Investment Options**

Each participant directs employee and Association contributions to his or her account in investment options offered by the Plan. These investment options are comprised of various mutual funds and collective trust funds.

**Payment of Benefits**

Each participant is to receive a distribution of the entire value of his or her account as a single sum payment unless they are employed and are required to receive Required Minimum Distributions, in which case, they may elect to receive installments payable monthly, quarterly, or annually.

**Forfeited Accounts**

At December 31, 2017 and 2016 there were no forfeited nonvested account balances. Forfeited funds are available to pay plan expenses or reduce future Association profit sharing contributions or Association additional matching contributions. During the year ended December 31, 2017, $127 of forfeitures were used to pay plan expenses.

**2. Summary of Accounting Policies**

The preparation of these financial statements requires Plan management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of net assets available for benefits, net appreciation in fair value of investments, as well as disclosures of contingent assets and liabilities. Actual results could differ from those estimates. Plan management has considered events occurring through July 12, 2018 in its evaluation of the conditions on which estimates were based or for changes in conditions subsequent to the date of the statement of net assets available for benefits, which should be disclosed. The financial statements were available to be issued at this date.

Plan management also determines the accounting principles to be used in the preparation of financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows:

**Basis of Accounting**

The financial statements of the Plan are prepared under the accrual method of accounting.

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Association's Board of Directors determines the Plan's valuation policies utilizing information provided by the investment advisors. See Note 4 for fair value measurements.

Purchases and sales of securities are recorded on the trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold, as well as investments held during the year.

**2. Summary of Accounting Policies** (Continued)

**Risks and Uncertainties**

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

**Payment of Benefits**

Benefits are recorded when paid.

**Expenses**

Certain expenses of maintaining the Plan are paid directly by the Association and are excluded from these financial statements. Investment related expenses are included in administrative expenses in the statement of changes in net assets available for benefits.

**3. Information Certified by the Trustee (Unaudited)**

At December 31, 2017 and 2016, the Plan's investments were held by the Trustee. The following is a summary of the Plan's financial information that is included in the financial statements based on the information certified by the Trustee as complete and accurate in accordance with Section 2520.103-5(c) of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA).

| | 2017 | 2016 |
|---|---|---|
| Investments | | |
| Collective trust funds | $ 8,282,862 | $ 6,627,561 |
| Mutual funds | 814,621 | 824,730 |
| | $ 9,097,483 | $ 7,452,291 |
| Investment income | | |
| Dividend income | $ 4,142 | |
| Net appeciation in fair value of investments | 1,024,918 | |
| | $ 1,029,060 | |

**4. Fair Value Measurements**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2017 and 2016.

*Mutual funds*: Valued at the daily closing price as reported by the fund, which represents the net asset value (NAV) of shares held by the Plan at year end.

*Collective trust funds*: Valued at the NAV of units held by the Plan in the bank collective trust fund. The NAV is based on the fair value of the underlying investments held by the collective trust fund less its liabilities.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**4. Fair Value Measurements** (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2017:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Collective trust funds | $ – | $ 8,282,862 | $ – | $ 8,282,862 |
| Mutual funds | 814,621 | – | – | 814,621 |
| Total investments at fair value | $ 814,621 | $ 8,282,862 | $ – | $ 9,097,483 |

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# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## Notes to Financial Statements

### 7. Plan Termination

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# Supplemental Schedule

# Saticoy Lemon Association 401(k) / Profit Sharing Plan

## EIN #95-1193510 Plan 002

## Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

**December 31, 2017**

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| | | Total investments held in mutual funds | | | 814,621 |
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| | | | | | $ 9,097,483 |

* A party-in-interest as defined by ERISA

** Cost omitted due to participant-directed investments