

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
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Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>	
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.)
B This return/report is:	☐ a single-employer plan ☐ the first return/report ☐ an amended return/report ☐ a DFE (specify) _____ ☐ the final return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. ▶ ☐	
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description) _____

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>CARDINAL SERVICES, INC. 401K PLAN</u>	1b Three-digit plan number (PN) ▶	001	
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) <u>CARDINAL SERVICES, INC.</u> <u>110 ACKERMAN AVENUE</u> <u>COOS BAY, OR 97420</u>		1c Effective date of plan <u>07/01/1997</u>	
		2b Employer Identification Number (EIN) <u>93-0985752</u>	
		2c Plan Sponsor's telephone number <u>541-888-9799</u>	
		2d Business code (see instructions) <u>561300</u>	

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.	10/10/2018	MICHAEL FREEMAN
	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

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

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☒ 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	5 389
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) 315
a(2) Total number of active participants at the end of the plan year	6a(2) 369
b Retired or separated participants receiving benefits	6b 0
c Other retired or separated participants entitled to future benefits	6c 73
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 442
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 442
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 252
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
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) ☒ 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) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **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)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	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 CARDINAL SERVICES, INC. 401K PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CARDINAL SERVICES, INC.	D Employer Identification Number (EIN) 93-0985752

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

SLAVIC INTEGRATED ADMINISTRATION

65-0608221

(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 37 38 50	TPA	51620	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CARDINAL SERVICES, INC.

93-0985752

(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?
14	PLAN ADMINISTRATOR	11817	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 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 <u>01/01/2017</u> and ending <u>12/31/2017</u>		
A Name of plan <u>CARDINAL SERVICES, INC. 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDINAL SERVICES, INC.</u>	D Employer Identification Number (EIN) <u>93-0985752</u>	

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)	50650	78923
(2) Participant contributions	1b(2)	93206	21216
(3) Other.....	1b(3)	1728	1634
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)	103353	174116
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	6121218	7996070
(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	6370155 8271959
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 through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	6370155 8271959

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	184229
	(B) Participants	2a(1)(B)	506041
	(C) Others (including rollovers)	2a(1)(C)	51868
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	742138
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)	6233
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	6233
(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)	168667
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	168667
(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)		
(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)		884136
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1801174

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	285828	
(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)		285828
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)	63437	
(3) Investment advisory and management fees	2i(3)	2469	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		65906
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		351734

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1449440
l Transfers of assets:			
(1) To this plan.....	2l(1)		828187
(2) From this plan	2l(2)		375823

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) ☐ Disclaimer (4) ☐ Adverse

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

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

(1) Name: HMWC CPAS AND BUSINESS ADVISORS

(2) EIN: 95-2790665

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:

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.).....

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.)

	Yes	No	Amount
4a		X	
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.)		X	
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.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
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?		X	
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?		X	
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?		X	
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.)	X		
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
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.	X		
4n	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
BARRETT BUSINESS SERVICES, INC. RETIREMENT SAVINGS PLAN	52-0812977	001

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 CARDINAL SERVICES, INC. 401K PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CARDINAL SERVICES, INC.		D Employer Identification Number (EIN) 93-0985752
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
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): 65-0708495		
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		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2017 v. 170203		

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): _____

- 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): _____

Cardinal Services, Inc.
401(k) Plan

**Financial Statements
and Supplemental Information**

Years Ended December 31, 2017 and 2016

Cardinal Services, Inc. 401(k) Plan

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INDEPENDENT AUDITOR'S REPORT

To the Trustees
Cardinal Services, Inc. 401(k) Plan
Coos Bay, Oregon

We have audited the accompanying financial statements of Cardinal Services, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, 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

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Cardinal Services, Inc. 401(k) Plan as of December 31, 2017, and 2016, and the changes in net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, line 4i - Schedule of Assets (Held at End of Year), referred to as "supplemental information", is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink, appearing to read "HMWC", is positioned above the printed name of the firm.

HMWC CPAs & Business Advisors
Tustin, California

October 8, 2018

Cardinal Services, Inc. 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2017 and 2016

	<u>ASSETS</u>	<u>2017</u>	<u>2016</u>
INVESTMENTS:			
Investments at fair value		\$ 7,996,070	\$ 6,121,218
TOTAL INVESTMENTS		<u>7,996,070</u>	<u>6,121,218</u>
RECEIVABLES:			
Employers' contributions		78,923	50,650
Participants' contributions		21,216	93,206
Notes receivable from participants		174,116	103,353
Other receivables		<u>1,634</u>	<u>1,728</u>
TOTAL RECEIVABLES		<u>275,889</u>	<u>248,937</u>
TOTAL ASSETS		<u>8,271,959</u>	<u>6,370,155</u>
	<u>LIABILITIES</u>		
EXCESS CONTRIBUTIONS PAYABLE		<u>10,898</u>	<u>-</u>
TOTAL LIABILITIES		<u>10,898</u>	<u>-</u>
NET ASSETS AVAILABLE FOR BENEFITS		<u>\$ 8,261,061</u>	<u>\$ 6,370,155</u>

*See accompanying notes and Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.*

Cardinal Services, Inc. 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2017

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income:

Net appreciation in fair value of investments	\$ 884,133
Interest and dividend income	<u>168,667</u>
Total investment income	<u>1,052,800</u>

Other income:

Interest on notes receivable from participants	<u>6,233</u>
Total other income	<u>6,233</u>

Contributions:

Employers'	173,331
Participants'	506,041
Participants' rollovers	<u>51,868</u>
Total contributions	<u>731,240</u>

TOTAL ADDITIONS	<u>1,790,273</u>
-----------------	------------------

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	285,828
Administrative expenses	<u>65,903</u>

TOTAL DEDUCTIONS	<u>351,731</u>
------------------	----------------

NET INCREASE PRIOR TO TRANSFER OF ASSETS	1,438,542
--	-----------

Transfer of assets into the plan	828,187
Transfer of assets out of the plan	<u>(375,823)</u>

NET INCREASE IN NET ASSETS	1,890,906
----------------------------	-----------

NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	<u>6,370,155</u>
--	------------------

NET ASSETS AVAILABLE FOR BENEFITS - End of year	<u><u>\$ 8,261,061</u></u>
--	----------------------------

*See accompanying notes and Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.*

Cardinal Services, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2017 and 2016

NOTE 1: DESCRIPTION OF PLAN

The following description of the Cardinal Services, Inc. 401(k) Plan ("Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

GENERAL

Cardinal Services, Inc. is a Professional Employer Organization ("PEO"). The PEO provides a multiple-employer defined contribution plan for all of the participating employers utilizing its services. The Plan, which became effective July 1, 1997, is designed to cover substantially all employees of Cardinal Services, Inc., and the employees of the companies that have adopted the plan. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

ELIGIBILITY

The majority of participating employers under the PEO adopted the following requirements: Active employees who are at least 21 years of age and upon completion of three consecutive months of service are eligible to participate on the first day of the month coinciding with or the next following date. Effective October 1, 2017, the Plan was amended so that the minimum service for participation is 12 months of service and attaining the age of 21 at which time employees will enter the Plan upon the first day of the month. The following employers have elected different eligibility terms, as follows:

<u>Employer:</u>	<u>Minimum Age</u>	<u>Minimum Service</u>
Combined Communications	18	12 months
Fred Hodecker, Inc. dba Mid-State Fertilizer	18	6 months
Integral Youth Services	21	3 months
J.A.C.S Trucking	21	3 months
Let's Talk Diversity Coalition, Inc.	18	3 months
Moles Veterinary Clinic, Inc.	18	3 months
Oregon Resources Corporation	18	3 months
Paladin Data Corporation	18	3 months
Russell Dean Anderson dba Russell Anderson Contracting	21	6 months
South Coast Family Harbor	18	3 months
South Coast Lumber	21	1 month

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

Notes to Financial Statements
December 31, 2017 and 2016

NOTE 1: DESCRIPTION OF PLAN, Continued

CONTRIBUTIONS

Each year, the participants may contribute up to 100% of their pretax annual compensation, subject to Internal Revenue Code (IRC) limitations, as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified benefit or contribution plans. Participants who have attained age 50 before the end of the Plan year are allowed to make catch-up contributions to the Plan. Participants may also make Roth 401(k) contributions into the Plan. Participants direct the investment of their contributions into various investment options offered by the Plan.

Employer contributions per each adoption agreement are as follows:

- Option A - Elective Deferrals Only**
There are no employer contributions. The plan allows pre-tax and Roth 401(k) contributions.
- Option B - Matching Contributions**
The matching contribution is equal to a pre-determined percentage of the participant's elective deferral up to a pre-determined percentage of the participant's compensation during each pay period. Employers may select whole percentages between 1% and 100%. The match is funded each payroll. Employers can also select a maximum amount of contributions to be funded each year.
- Option C - Non-elective Profit Sharing Contribution**
Discretionary profit sharing is determined by the board of directors each year. Employees are required to be employed on the last day of the year.
- Option D - Safe Harbor Elections**
 - 1) Safe Harbor Matching Contribution
The employer is required to contribute to each active participant in an amount equal to 100% of the participant's elective deferrals up to 4% of the participant's compensation for each payroll period.
 - 2) Safe Harbor Non-elective Contribution
The employer is required to contribute to each active participant in an amount equal to 3% of the participant's compensation for the plan year.
 - 3) Safe Harbor Matching Contribution (Basic)
The employer is required to make a matching contribution to each active participant in an amount equal to 100% of the participant's elective deferrals up to 3% of the participant's compensation and 50% of the next 2% of the participant's compensation for each payroll period.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan
Notes to Financial Statements
December 31, 2017 and 2016

NOTE 1: DESCRIPTION OF PLAN, Continued

PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contribution, employer's contribution, and an allocation of the Plan's earnings. The Plan's administrative expenses are also allocated and charged to each participant's account. The benefit to which a participant is entitled to is the benefit that can be provided from the participant's vested account.

VESTING

Participants are immediately vested in their deferral contributions, safe harbor matching and safe harbor nonelective employer contributions plus actual earnings thereon. Vesting in the employer's profit sharing contributions plus actual earnings thereon, is based on years of continuous service. A participant becomes 100% vested after six years of credited service, upon attainment of normal retirement age, early retirement age, retirement due to disability, death, or termination of the Plan.

INVESTMENT OPTIONS

Upon enrollment in the Plan, a participant may direct contributions into any of the self-directed investment mutual funds.

NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow, upon written application, from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through after-tax payroll deductions.

PAYMENT OF BENEFITS

Upon termination of service due to death, disability, or retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, receive monthly installments, or defer payments until reaching age 70 1/2. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Participants may also elect to take distributions from their deferred contribution account to the extent necessary to meet a financial hardship, in accordance with the regulations and rulings of the IRC. After a withdrawal, a stipulated period of time must lapse, as defined by the Plan, before a participant can make additional deferred contributions.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2017 and 2016

NOTE 1: DESCRIPTION OF PLAN, Continued

FORFEITED ACCOUNTS

A participant's unvested portion of employer contributions is forfeited upon termination of employment for reasons other than death or permanent disability. Forfeitures are maintained in a separate account and may be used to pay any administrative expenses or to reduce employer contributions. At December 31, 2017 and 2016, forfeited nonvested accounts totaled \$35 and \$1,214, respectively.

ADMINISTRATIVE EXPENSES

Direct administrative expenses related to recordkeeping and Plan administration are paid by the Plan and charged against each participant's account balance. Other expenses related to the Plan are paid by the Plan sponsor.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

USE OF ESTIMATES

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

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2017 and 2016. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

**Notes to Financial Statements
December 31, 2017 and 2016**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

BENEFIT PAYMENTS

Benefits are recorded when paid.

NOTE 3: INVESTMENTS

During the year ended December 31, 2017, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$884,133.

NOTE 4: FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework 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 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted market 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 assets 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 or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value as of December 31, 2017 and 2016.

Mutual Funds

Mutual funds are valued based on quoted net asset values of the shares held by the Plan at year end. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

Notes to Financial Statements December 31, 2017 and 2016

NOTE 4: FAIR VALUE MEASUREMENTS, Continued

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan administrator 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.

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

Description	Level 1	Level 2	Level 3	Total December 31, 2017
Mutual funds	\$ 7,996,070	\$ -	\$ -	\$ 7,996,070
Total investments at fair value	<u>\$ 7,996,070</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,996,070</u>

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

Description	Level 1	Level 2	Level 3	Total December 31, 2016
Mutual funds	\$ 6,121,218	\$ -	\$ -	\$ 6,121,218
Total investments at fair value	<u>\$ 6,121,218</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,121,218</u>

NOTE 5: PLAN AMENDMENT

Effective October 2017, the Plan was amended to change the eligibility service requirement to 21 years old and 12 months of service.

NOTE 6: PLAN TERMINATION

Although it has not expressed any intent to do so, the PEO has the right to terminate the Plan at any time, subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 7: INCOME TAX STATUS

The Plan has adopted a Volume Submitter Profit Sharing Plan with CODA, which the Internal Revenue Service has determined and informed the PEO by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is currently being 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.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

**Notes to Financial Statements
December 31, 2017 and 2016**

NOTE 7: INCOME TAX STATUS, Continued

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 (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years before 2014.

NOTE 8: TRANSFER OF ASSETS

As a participating employer joins the PEO, the plan assets from the participating employer's old plan can be transferred into the Plan. For the year ended December 31, 2017, \$828,187 was transferred into the Plan from various participating employers.

As a participating employer leaves the PEO, the plan assets of the departing employer can be transferred out of the Plan. For the year ended December 31, 2017, \$375,823 was transferred out of the Plan.

NOTE 9: RISKS AND UNCERTAINTIES

The Plan invests in various investments. Investments 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 statements of net assets available for benefits.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

Notes to Financial Statements

December 31, 2017 and 2016

NOTE 10: RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements for the years ended December 31, 2017 and 2016 to Schedule H of Form 5500:

	<u>2017</u>
Net assets available for benefits per the financial statements	\$ 8,261,061
Add: Excess contributions payable	<u>10,898</u>
Net assets available for benefits per Schedule H on the Form 5500	\$ <u><u>8,271,959</u></u>

The following is a reconciliation of net increase prior to transfer of assets per the financial statements for the year ended December 31, 2017 to Schedule H of Form 5500:

	<u>2017</u>
Net increase prior to transfers of assets per the financial statements	\$ 1,438,542
Add: Excess contributions payable December 31, 2017	<u>10,898</u>
Net increase per Schedule H of Form 5500	\$ <u><u>1,449,440</u></u>

NOTE 11: SUBSEQUENT EVENTS

The PEO has evaluated subsequent events through October 8, 2018, the date that the financial statements were available to be issued. No events were noted that would require adjustments to, or disclosure in, the financial statements.

See accompanying Independent Audit's Report.

Cardinal Services, Inc. 401(k) Plan

EIN# 93-0985752

Plan Number: 001

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

For the Year Ended 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
	Vanguard	Vanguard Target Retirement 2025	**	\$ 1,989,432
	Vanguard	Vanguard Target Retirement 2035	**	703,572
	Vanguard	Vanguard Total Stock Market Index Admiral	**	685,958
	Vanguard	Vanguard 500 Index Admiral	**	584,399
	Vanguard	Vanguard Target Retirement 2020	**	568,457
	Vanguard	Vanguard Federal Money Market	**	518,503
	Vanguard	Vanguard Target Retirement 2030	**	435,437
	Vanguard	Vanguard Short-Term Federal Admiral	**	342,638
	Vanguard	Vanguard Target Retirement 2040	**	274,202
	Vanguard	Vanguard Target Retirement 2045	**	233,776
	Vanguard	Vanguard Target Retirement 2015	**	196,980
	BlackRock	BlackRock Int'l Index K	**	169,501
	Vanguard	Vanguard Mid Cap Value Index Admiral	**	134,659
	American Funds	American Funds EuroPacific R6	**	130,959
	Vanguard	Vanguard Small Cap Growth Index Adm	**	122,383
	Vanguard	Vanguard Small Cap Value Index Adm	**	113,572
	American Funds	American Funds New Perspective R6	**	112,858
	Vanguard	Vanguard Small Cap Index Admiral	**	74,123
	Nationwide	Nationwide Ziegler NYSE Arca Tech 100 In	**	73,921
	Vanguard	Vanguard US Growth Admiral	**	64,273
	Vanguard	Vanguard Industrial Index Admiral	**	63,492
	Highmark	Vanguard Mid Cap Index Admiral	**	62,306
	Vanguard	Vanguard Value Index Admiral	**	61,433
	Vanguard	Vanguard Target Retirement 2055	**	59,694
	Vanguard	Vanguard Energy Index Admiral	**	52,613
	Principal	Principal Investors High Yield II	**	44,041

See accompanying notes and Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

Cardinal Services, Inc. 401(k) Plan

EIN# 93-0985752

Plan Number: 001

Schedule H, line 4i - Schedule of Assets (Held at End of Year), Continued For the Year Ended December 31, 2017

<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>
	IDENTITY OF ISSUE, BORROWER, LESSOR OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT, INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	COST	CURRENT VALUE
	DFA	DFA Emerging Markets Core Equity	**	\$ 42,715
	Vanguard	Vanguard Target Retirement 2050	**	28,794
	Vanguard	Vanguard Mid-Cap Growth Index Admiral	**	23,191
	Vanguard	Vanguard Target Retirement Income	**	10,175
	Vanguard	Vanguard Intermediate-Term Bond Index Ad	**	9,190
	DFA	DFA Real Estate Securities	**	1,937
	Vanguard	Vanguard Inflation Protected Securities	**	1,905
	Vanguard	Vanguard Short-Term Bond Index Admiral	**	1,805
	Vanguard	Vanguard Target Retirement 2060	**	1,710
	JPMorgan	JPMorgan Core Plus Bond Fund R6	**	889
	Fidelity	Fidelity Spartan US Bond Index	**	577
	Participant Loans	Interest rates - 3.0% - 5.5%, maturing through November 2076	**	<u>174,116</u>
	Total			<u>\$ 8,170,186</u>

** Participant Directed. In accordance with ERISA section 404(c), cost information is not required when reporting investments of an individual account plan that is participant or beneficiary directed.

See accompanying notes and Independent Auditor's Report.
The accompanying notes are an integral part of these financial statements.

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR).

Cardinal Services, Inc. 401k Plan

PLAN # 001

EIN #: 93-0985752

(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
	BlackRock	BTMKX - iShares MSCI EAFE International Index K		169,501
	DFA	DFCEX - DFA Emerging Markets Core Equity		42,715
	DFA	DFREX - DFA Real Estate Securities		1,937
	Fidelity	FSITX - Fidelity US Bond Index Premium		578
	JPMorgan	JCPUX - JPMorgan Core Plus Bond Fund R6		889
	Highmark	NWJFX - Nationwide Ziegler NYSE Arca Tech 100 In		73,921
	Principal	PHYTX - Principal Investors High Yield II		44,041
	American Funds	RERGX - American Funds EuroPacifc R6		130,959
	American Funds	RNPGX - American Funds New Perspective R6		112,858
	Vanguard	VAIPX - Vanguard Inflation Protected Securities		1,905
	Vanguard	VBILX - Vanguard Intermediate-Term Bond Index Ad		9,190
	Vanguard	VBIRX - Vanguard Short-Term Bond Index Admiral		1,805
	Vanguard	VENAX - Vanguard Energy Index Admiral		52,613
	Vanguard	VFFVX - Vanguard Target Retirement 2055		59,694
	Vanguard	VFIAX - Vanguard 500 Index Admiral		584,398
	Vanguard	VFIFX - Vanguard Target Retirement 2050		28,794
	Vanguard	VFORX - Vanguard Target Retirement 2040		274,202
	Vanguard	VIMAX - Vanguard Mid Cap Index Admiral		62,306
	Vanguard	VINAX - Vanguard Industrial Index Admiral		63,492
	Vanguard	VMFXX - Vanguard Federal Money Market		518,503
	Vanguard	VMGMX - Vanguard Mid Cap Growth Index Admiral		23,191
	Vanguard	VMGRX - Vanguard Mid Cap Growth		-
	Vanguard	VMMXX - Vanguard Money Market Prime		(0.01)
	Vanguard	VMVAX - Vanguard Mid Cap Value Index Admiral		134,659
	Vanguard	VSGAX - Vanguard Small Cap Growth Index Adm		122,383
	Vanguard	VSGDX - Vanguard Short-Term Federal Admiral		342,638
	Vanguard	VSIAx - Vanguard Small Cap Value Index Adm		113,572
	Vanguard	VSMAX - Vanguard Small Cap Index Admiral		74,123
	Vanguard	VTENX - Vanguard Target Retirement 2010		-
	Vanguard	VTHRX - Vanguard Target Retirement 2030		435,437
	Vanguard	VTIAX - Vanguard Total Int'l Stock Index Admiral		-
	Vanguard	VTINX - Vanguard Target Retirement Income		10,175
	Vanguard	VTIVX - Vanguard Target Retirement 2045		233,776
	Vanguard	VTSAx - Vanguard Total Stock Market Index Admira		685,958
	Vanguard	VTTHX - Vanguard Target Retirement 2035		703,572
	Vanguard	VTTSX - Vanguard Target Retirement 2060		1,710
	Vanguard	VTTVX - Vanguard Target Retirement 2025		1,989,432
	Vanguard	VTWNX - Vanguard Target Retirement 2020		568,457
	Vanguard	VTXVX - Vanguard Target Retirement 2015		196,980
	Vanguard	VVIAX - Vanguard Value Index Admiral		61,433
	Vanguard	VWUAX - Vanguard US Growth Admiral		64,273
	Participant Loans	3% - 5.5%		174,116

Multiple-Employer Plan Participating Employer Information

CARDINAL SERVICES, INC. 401K PLAN		EIN # 93-0985752
(a) Name of participating employer	(b) EIN	(c) Percent of Total Contributions
American Painting (The Conard Company)	93-1238457	0.00%
Bassett-Hyland Energy Company	93-0764831	11.42%
Bend Pet Express	93-1163673	2.71%
Cardinal Services, Inc.	93-0985752	8.30%
Combined Communications, Inc.	93-0993152	6.61%
Coos Bay/North Bend Visitors Convention Bureau	93-1241434	0.00%
Deschutes Dental Center	93-1199296	0.78%
Eric M Cadwell DDS PLLC dba PureCare Dental of Bend	27-2905707	8.35%
Fred Hodecker Inc dba Mid-State Fertilizer	93-0569384	4.37%
Grace Bio Labs	38-2775644	6.81%
Health Insurance Strategies LLC	71-1027208	0.47%
Highway Deli Mart	20-2262832	0.00%
Integral Youth Services	93-0981933	0.04%
L B Engineering	91-1786228	0.35%
Let's Talk Diversity Coalition, Inc.	81-3530015	0.45%
Moe's Super Lube Inc.	93-1170904	0.18%
Moles Veterinary Clinic, INC	46-4734934	10.28%
Mountain View Imports	81-0566196	0.69%
North Bend Lanes	93-0463122	2.89%
NW Industrial Hydraulics, Inc	74-3093572	4.05%
Oregon Coast Dermatology, LLC	45-2036995	9.24%
Oregon Resources Corporation	93-1010006	0.00%
Paladin Data Corporation	93-0927111	9.17%
Resort Spas & Billiards	32-0113508	0.98%
Russell Dean Anderson dba Russell Anderson Contracting	51-8885297	5.14%
South Coast Family Harbor	46-3458457	0.06%
Southwestern Oregon Workforce Investment Board	47-3873798	4.58%
The Latino Community Association	93-1260288	0.97%
Three Sisters Landscaping	54-1860981	0.00%
TNT Market	93-0918469	1.10%
Western Water Development Corp.	93-1080296	0.00%
Williams Machine and Fabrication	93-1042300	0.00%