

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 2016 This Form is Open to Public Inspection
---	--	---

Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>12/31/2016</u> and ending <u>12/30/2017</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.)	
	☒ a single-employer plan		
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:	☒ 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>DELPHOS HERALD RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ►	<u>001</u>
		1c Effective date of plan	<u>01/01/1984</u>
2a Plan sponsor's name (employer, if for a single-employer plan)	2b Employer Identification Number (EIN)		
Mailing address (include room, apt., suite no. and street, or P.O. Box)	<u>34-0907489</u>		
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)	2c Plan Sponsor's telephone number		
<u>DELPHOS HERALD, INC.</u>	<u>419-695-0015</u>		
<u>405 NORTH MAIN STREET</u>	2d Business code (see instructions)		
<u>DELPHOS, OH 45833-1577</u>	<u>511110</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.	<u>10/11/2018</u>	<u>RAYMOND E. GEARY</u>
	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
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

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 has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 233
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 163 6a(2) 128 6b 0 6c 74 6d 202 6e 1 6f 203 6g 137 6h 26
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
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) ☐ <u>0</u> 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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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
		2016
		This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 12/31/2016 and ending 12/30/2017

A Name of plan DELPHOS HERALD RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 DELPHOS HERALD, INC.	D Employer Identification Number (EIN) 34-0907489

Part I	Service Provider Information (see instructions)
--------	---

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a

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

☒ Yes ☐ No
- b

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
CAPITAL RESEARCH & MANAGEMENT CO.
95-1411037

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

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

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

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

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

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

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

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

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

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

(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)

EDWARD JONES

12555 MANCHESTER RD
ST LOUIS, MO 63131

(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?
27	INVESTMENT ADVISOR	9418	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

REA & ASSOCIATES INC

PO BOX 1020
NEW PHILADELPHIA, OH 44663

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	AUDITOR	7800	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CAPITAL RESEARCH & MANAGEMENT CO.

95-1411037

(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?
64 52 60 62 25 49 72 37	RECORDKEEPER	1139	Yes ☒ No ☐	Yes ☒ No ☐	0	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) 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 2016 This Form is Open to Public Inspection
---	--	--

For calendar plan year 2016 or fiscal plan year beginning <u>12/31/2016</u> and ending <u>12/30/2017</u>		
A Name of plan <u>DELPHOS HERALD RETIREMENT 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>DELPHOS HERALD, INC.</u>	D Employer Identification Number (EIN) <u>34-0907489</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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	282710	279107
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	57270	52393
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	5156680	5514383
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	5496660	5845883

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h		
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
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	5496660	5845883
---	-----------	---------	---------

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)	22835	
(B) Participants	2a(1)(B)	96744	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		119579
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	2607	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2607
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	361062	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		361062
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(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)	0	
(B) Other	2b(5)(B)	0	
(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)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		480846
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		964094

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	607568	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		607568
f Corrective distributions (see instructions)	2f		320
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	6983	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		6983
j Total expenses. Add all expense amounts in column (b) and enter total	2j		614871

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		349223
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)** ☒ 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: REA & ASSOCIATES

(2) EIN: 34-1310124

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.)	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		X	
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

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 2016 This Form is Open to Public Inspection.
---	---	--

For calendar plan year 2016 or fiscal plan year beginning 12/31/2016 and ending 12/30/2017

A Name of plan <u>DELPHOS HERALD RETIREMENT 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>DELPHOS HERALD, INC.</u>	D Employer Identification Number (EIN) <u>34-0907489</u>

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	<u>0</u>
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): <u>20-3691658</u>		
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) 2016
v. 160205

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): _____	

Part VII	IRS Compliance Questions
-----------------	---------------------------------

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

The Delphos Herald, Inc.
Retirement Plan
Audited Financial Statements

December 30, 2017 and 2016



Rea & associates

www.reacpa.com

THE DELPHOS HERALD, INC. RETIREMENT PLAN

*** * * * ***

AUDITED FINANCIAL STATEMENTS

DECEMBER 30, 2017 AND 2016

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1-2
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS	3
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS	4
NOTES TO AUDITED FINANCIAL STATEMENTS	5-10
SCHEDULE OF ASSETS HELD FOR INVESTMENT	11

October 8, 2018

To the Benefits Committee and Participants of
The Delphos Herald, Inc. Retirement Plan
Delphos, Ohio

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Delphos Herald, Inc. Retirement Plan (the Plan), which comprise the statements of net assets available for benefits as of December 30, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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 conducting the audit 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 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 or provided by Capital Bank & Trust, the trustee of the Plan, except for comparing this 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 certifications from the trustee as of and for the years ended December 30, 2017 and 2016, 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.

Other Matter

The supplemental schedule of Assets Held for Investment Purposes as of the year ended December 30, 2017 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes 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.

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 or provided 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Hea & Associates, Inc.

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
ASSETS:		
Investments, at fair value (see Note 5)	\$ 5,793,490	\$ 5,439,390
 RECEIVABLES:		
Notes receivable from participants	52,393	57,270
Employer contribution	<u>20,198</u>	<u>22,835</u>
 Total receivables	<u>72,591</u>	<u>80,105</u>
 TOTAL NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 5,866,081</u></u>	 <u><u>\$ 5,519,495</u></u>

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

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
ADDITIONS TO NET ASSETS ATTRIBUTABLE TO:		
Contributions:		
Participants	\$ 96,744	\$ 113,393
Employer	20,198	22,835
Total contributions	<u>116,942</u>	<u>136,228</u>
Investment income:		
Net appreciation in fair value of investments	480,846	109,669
Interest and dividends	361,062	284,010
Total investment income	<u>841,908</u>	<u>393,679</u>
Interest earned on participant loans	<u>2,607</u>	<u>2,926</u>
Total additions	961,457	532,833
DEDUCTIONS FROM NET ASSETS ATTRIBUTABLE TO:		
Benefit payments	(607,888)	(261,117)
Administrative expenses	<u>(6,983)</u>	<u>(5,276)</u>
Total deductions	<u>(614,871)</u>	<u>(266,393)</u>
Change in net assets	346,586	266,440
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	<u>5,519,495</u>	<u>5,253,055</u>
NET ASSETS AVAILABLE FOR BENEFITS, end of year	<u><u>\$ 5,866,081</u></u>	<u><u>\$ 5,519,495</u></u>

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

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

NOTES TO AUDITED FINANCIAL STATEMENTS

NOTE 1: DESCRIPTION OF THE PLAN

The following description of the Delphos Herald, Inc. Retirement Plan provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan under IRC Sec. 401 (a) covering all full-time non-union employees of the Company who are age twenty-one or older and have completed one year of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan has also adopted a plan year of December 31st through December 30th.

Contributions

Participants may contribute up to 100 percent of their annual compensation not to exceed an annually adjusted limit established by Internal Revenue Code Section 415. Each year, the Company may contribute a discretionary matching amount to be determined prior to the end of the Plan year. The Company's matching amount will be a fixed percentage of the participants' contribution, but will not include amounts in excess of 5 percent of the participants' compensation. The Company may also make voluntary contributions at its sole discretion. Such additional contributions are applied to participants employed at year-end and have worked greater than 1,000 hours for the year. These contributions are to be allocated to each participant's account in proportion to each participant's annual compensation.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's matching contribution, and allocation of (a) the Company's discretionary contribution, (b) Plan earnings, (c) forfeitures of terminated participants' nonvested accounts, and (d) is charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Participant-Directed Investment Options

Upon enrollment in the Plan, a participant may direct contributions in 5% increments to any investment options available during the year. Participants are allowed to invest in a variety of investment choices as more fully described in the Plan's literature. Participants may change their allocation on a daily basis.

Vesting

Participants are immediately vested in their deferred contributions plus actual earnings thereon. Vesting in the remainder of their accounts is based upon years of continuous service. Participants vest at the rate of 20% per year after 2 years of service and are 100% vested after six years of credited service.

Notes Receivable from Participants

Participants may borrow 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. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participants' loan account. Loan cancellations upon termination are reflected as benefits paid directly to participants. Interest income is recorded in the fund(s) to which repayments are made.

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

NOTES TO AUDITED FINANCIAL STATEMENTS

NOTE 1: DESCRIPTION OF THE PLAN (continued)

Notes Receivable from Participants (continued)

Loan terms range from 6 to 60 months, except for the purchase of a primary residence, which may have a term up to 120 months. The loans are secured by the balance in the participant's vested account and bear interest at prime plus 1 percent at the date of inception and remain fixed thereafter; interest rates currently range from 4.25% to 5% as of December 30, 2017. Principal and interest are paid weekly for hourly employees and bi-weekly for salary employees through payroll deductions.

Payment of Benefits

On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of his or her account, or installments under several options available to the participant. Hardship withdrawals are allowed under the Plan.

Forfeited Amounts

Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. Forfeitures are used to reduce the employer's future contributions. For 2017 and 2016, forfeitures applied to the employer's contribution amounted to \$406 and \$112, respectively. As of December 30, 2017 and 2016, unallocated forfeitures amounted to \$1,096 and \$406, respectively.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts and disclosures. 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. The Plan's Finance Committee determines the Plan's valuation policies utilizing information provided by the investment trustee. See Note 5 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. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the plan document.

Payment of Benefits

Benefit payments are reported when paid by the trustee.

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

NOTES TO AUDITED FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses

Certain administrative expenses, such as custodian fees, are paid by the Plan Sponsor and are excluded from these financial statements. Additionally, the Company provides services to the Plan at no cost to the Plan. Certain other expenses of maintaining the Plan are paid by the Plan.

Subsequent Events

Subsequent events have been evaluated through October 8, 2018, which is the date the financial statements were available to be issued.

NOTE 3: INFORMATION PREPARED AND CERTIFIED BY CAPITAL BANK & TRUST

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 30, 2017 and 2016, and net appreciation in fair value of investments, interest and dividends for the years ended December 30, 2017 and 2016, was obtained or derived from information supplied to the Plan administration and certified as complete and accurate by Capital Bank & Trust (the trustee of the Plan).

NOTE 4: INVESTMENTS

During 2017 and 2016, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$480,846 and \$109,669, respectively.

NOTE 5: FAIR VALUE MEASUREMENTS

Generally accepted accounting principles include 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 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: <ul style="list-style-type: none">• 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.

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

NOTES TO AUDITED FINANCIAL STATEMENTS

NOTE 5: FAIR VALUE MEASUREMENTS (continued)

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 assets measured at fair value. There have been no changes in the methodologies used at December 30, 2017 and 2016.

Mutual funds: Valued at the net asset value ("NAV") of shares held by the plan at year end. NAV is based on the value of underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding. NAV is a quoted price in an active market.

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 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 30, 2017 and 2016:

Assets at Fair Value as of December 30, 2017

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 5,793,490	\$ 0	\$ 0	\$ 5,793,490
Total Assets at Fair Value	<u>\$ 5,793,490</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,793,490</u>

Assets at Fair Value as of December 30, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 5,439,390	\$ 0	\$ 0	\$ 5,439,390
Total Assets at Fair Value	<u>\$ 5,439,390</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,439,390</u>

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

NOTES TO AUDITED FINANCIAL STATEMENTS

NOTE 6: RELATED PARTY OR PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor Regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer and certain others. At December 30, 2017 and 2016 the Plan invested \$4,605,726 and \$4,247,948, respectively, in mutual funds managed by American Funds who is affiliated with Capital Bank & Trust, the trustee of the Plan, and as such, these investments qualify as party-in-interest investments. The Plan paid investment management direct services fees of \$263 and \$250 to Capital Bank & Trust for 2017 and 2016. The Plan also paid audit fees of \$7,800 and \$8,125 during 2017 and 2016, respectively, to Rea & Associates, Inc. Additionally, the Plan holds party-in-interest receivables of \$52,393 and \$57,270 as of December 30, 2017 and 2016 respectively, in the form of participants' note receivables.

NOTE 7: PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100 percent vested in their accounts.

NOTE 8: INCOME TAX STATUS

The plan has adopted a nonstandardized prototype plan document under which the Internal Revenue Service has determined and informed the document sponsor by a letter dated March 31, 2014, that the plan document is qualified under the appropriate sections of the code. The plan administrator believes that the Plan is designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and has no income subject to unrelated business income tax. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP 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 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 periods in progress.

NOTE 9: RISKS AND UNCERTAINTIES

The plan holds various investments. Investment securities are exposed to various risks such as interest rates, market, and credit. 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 plan benefits and the statement of changes in net assets available for plan benefits.

As of December 30, 2017, the Plan held \$4,605,726 of American Funds, which was approximately 79% of the total investments. Therefore, net assets available for benefits are particularly sensitive to changes related to these investments.

**THE DELPHOS HERALD, INC.
RETIREMENT PLAN**

NOTES TO AUDITED FINANCIAL STATEMENTS

NOTE 10: RECONCILIATION TO FORM 5500

The following is a reconciliation of the net assets available for benefits per the financial statements at December 30, 2017 to the Form 5500:

	<u>2017</u>
Net assets available for benefits per	
the financial statements at December 30, 2017	\$ 5,866,081
Employer's contribution receivable at December 30, 2017	<u>(20,198)</u>
Net assets available for benefits per	
Form 5500 at December 30, 2017	<u>\$ 5,845,883</u>

The following is a reconciliation of the net assets available for benefits per the financial statements at December 30, 2016 to the Form 5500:

	<u>2016</u>
Net assets available for benefits per	
the financial statements at December 30, 2016	\$ 5,519,495
Employer's contribution receivable at December 30, 2016	<u>(22,835)</u>
Net assets available for benefits per	
Form 5500 at December 30, 2016	<u>\$ 5,496,660</u>

The following is a reconciliation to the net increase per the financial statements for the year ended December 30, 2017 to the Form 5500:

	<u>2017</u>
Net increase per the financial statements	\$ 346,586
Employer contribution receivable as of	
December 30, 2016	22,835
Employer contribution receivable as of	
December 30, 2017	<u>(20,198)</u>
Net income per Form 5500	<u>\$ 349,223</u>

THE DELPHOS HERALD, INC.
RETIREMENT PLAN
SCHEDULE OF ASSETS HELD FOR INVESTMENT
AS OF DECEMBER 30, 2017
#34-0907489
PLAN #001

a.	b. IDENTITY OF ISSUE	c. DESCRIPTION OF INVESTMENT	d. COST	CURRENT e. VALUE
*	American Funds 2020 Target Date Fund	Mutual Fund	**	\$ 1,142,505
*	American Funds Washington Mutual Fund	Mutual Fund	**	1,090,592
*	American Funds Growth Fund of America	Mutual Fund	**	975,801
	Federated Max Cap Index Fund	Mutual Fund	**	617,491
	Lord Abbett Value Opportunities Fund	Mutual Fund	**	491,671
*	American Funds Europacific Growth Fund	Mutual Fund	**	309,438
*	American Funds Money Market Fund	Mutual Fund	**	279,106
*	American Funds Bond Fund of America	Mutual Fund	**	273,729
*	American Funds Capital Income Builder Fund	Mutual Fund	**	233,341
*	American Funds 2025 Target Date Fund	Mutual Fund	**	121,467
*	American Funds Small Cap World Fund	Mutual Fund	**	64,686
*	American Funds 2030 Target Date Fund	Mutual Fund	**	38,241
	Franklin Income Fund	Mutual Fund	**	33,126
	Federated Kaufmann Index Fund	Mutual Fund	**	31,819
*	American Funds 2015 Target Date Fund	Mutual Fund	**	29,834
*	American Funds Capital World Growth & Income Fund	Mutual Fund	**	25,867
*	American Funds 2035 Target Date Fund	Mutual Fund	**	15,322
	Franklin Mutual Share Fund	Mutual Fund	**	7,257
	Columbia Mid Cap Value Fund	Mutual Fund	**	6,400
*	American Funds 2050 Target Date Fund	Mutual Fund	**	2,002
*	American Funds 2045 Target Date Fund	Mutual Fund	**	1,956
*	American Funds 2040 Target Date Fund	Mutual Fund	**	1,566
*	American Funds 2010 Target Date Fund	Mutual Fund	**	273
SUBTOTAL				\$ 5,793,490
*	Participant Loans	4.25% to 5%		52,393
TOTAL				\$ 5,845,883

* Denotes Party-in-Interest

** Cost information has been excluded in accordance with Form 5500 instructions as all investments are participant directed.

Note: This schedule is based upon information which has been certified as complete and accurate by Capital Bank & Trust, the trustee of the Plan.

See accompanying independent auditor's report.

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
IRERCX			253,649.85	309,437.74
IRGACX			760,260.21	975,801.43
IRSLCX			54,121.83	64,685.77
ICMVRX			7,206.25	6,399.88
IKAUFX			32,110.21	31,819.44
ILVOPX			493,403.75	491,670.67
IRWICX			18,889.83	25,866.92
IRWMCX			880,025.24	1,090,591.73
IFMXKX			763,559.25	617,491.22
ITESRX			6,644.83	7,257.46
IRIRCX			220,768.91	233,341.44
IFISRX			30,069.02	33,126.42
IRBFCX			272,308.10	273,728.75
IRACXX			277,971.31	277,971.31
IRCATX			189.16	272.88
IRCJTX			26,403.12	29,834.01
IRCCTX			938,851.74	1,142,504.79
IRCDTX			99,133.84	121,466.57
IRCETX			30,334.15	38,241.33
IRCFTX			10,392.00	15,321.53
IRCKTX			1,010.76	1,565.74
IRCHTX			1,368.00	1,955.46
IRCTIX			1,287.29	2,002.16
			5,179,958.65	5,792,354.65
PARTICIPANT LOANS	VARIOUS	4.250-5.000	52,441.01	52,393.23
FORFEITURES			1,096.11	1,135.45

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
IRERCX	American Funds EuroPacific Gr R3		IRGACX	American Funds Growth Fund of Amer R3
IRSLCX	American Funds SMALLCAP World R3		ICMVRX	Columbia Mid Cap Value Fund R
1KAUFY	Federated Kaufmann Fund R		ILVOPX	Lord Abbett Value Opportunities P
IRWICX	American Funds Capital World G/I R3		IRWMCX	American Funds Washington Mutual R3
IFMXKX	Federated Max-Cap Index R		ITESRX	Franklin Mutual Shares R
IRIRCX	American Funds Capital Income Builder R3		IFISRX	Franklin Income R
IRBFCX	American Funds Bond Fund of Amer R3		IRACXX	American Funds US Govt Money Market R3
IRCATX	American Funds 2010 Trgt Date Retire R3		IRCJTX	American Funds 2015 Target Date Fund R3
IRCCTX	American Funds 2020 Target Date Fund R3		IRCDTX	American Funds 2025 Target Date Fund R3
IRCETX	American Funds 2030 Target Date Fund R3		IRCFTX	American Funds 2035 Target Date Fund R3
IRCKTX	American Funds 2040 Target Date Fund R3		IRCHTX	American Funds 2045 Target Date Fund R3
IRCITX	American Funds 2050 Target Date Fund R3			

LEGEND

INVESTMENT OPTION:

- IRERCX
- American Funds EuroPacific Gr R3
- IRSLCX
- American Funds SMALLCAP World R3
- 1KAUFY
- Federated Kaufmann Fund R
- IRWICX
- American Funds Capital World G/I R3
- IFMXKX
- Federated Max-Cap Index R
- IRIRCX
- American Funds Capital Income Builder R3
- IRBFCX
- American Funds Bond Fund of Amer R3
- IRCATX
- American Funds 2010 Trgt Date Retire R3
- IRCCTX
- American Funds 2020 Target Date Fund R3
- IRCETX
- American Funds 2030 Target Date Fund R3
- IRCKTX
- American Funds 2040 Target Date Fund R3
- IRCITX
- American Funds 2050 Target Date Fund R3
- IRGACX
- American Funds Growth Fund of Amer R3
- ICMVRX
- Columbia Mid Cap Value Fund R
- ILVOPX
- Lord Abbett Value Opportunities P
- IRWMCX
- American Funds Washington Mutual R3
- ITESRX
- Franklin Mutual Shares R
- IFISRX
- Franklin Income R
- IRACXX
- American Funds US Govt Money Market R3
- IRCJTX
- American Funds 2015 Target Date Fund R3
- IRCDTX
- American Funds 2025 Target Date Fund R3
- IRCFTX
- American Funds 2035 Target Date Fund R3
- IRCHTX
- American Funds 2045 Target Date Fund R3

COST OF ASSETS: The original cost of the assets in each investment option as of the last day of the plan year

CURRENT VALUE: The value of all assets in each investment option as of the last day of the plan year