

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 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</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 ☐ a DFE (specify) ____		
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ▶ ☐		
D	Check box if filing under:	☒ 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>EMPLOYMENT MANAGEMENT SERVICES 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>01/01/2012</u>
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>EMPLOYMENT MANAGEMENT SERVICES, LLC</u> <u>21260 GATHERING OAK, STE 101</u> <u>SANT ANTONIO, TX 78260</u>	2b	Employer Identification Number (EIN) <u>90-8082855</u>
		2c	Plan Sponsor's telephone number <u>210-483-2410</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.	10/14/2019	KEVIN WILBUR
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2019	KEVIN WILBUR
	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

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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	5 484
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 who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 461 6a(2) 363 6b 0 6c 34 6d 397 6e 0 6f 397 6g 106 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: 2F 2J 2G 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)** ☐ 0 **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 2018 Form M-1 annual report. If the plan was not required to file the 2018 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 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 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan EMPLOYMENT MANAGEMENT SERVICES 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 EMPLOYMENT MANAGEMENT SERVICES, LLC	D Employer Identification Number (EIN) 90-8082855	

Part I	Asset and Liability Statement
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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)	0	0
(2) Participant contributions	1b(2)	2812	2342
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	10756	18007
(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)	949442	1031845
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	963010	1052194

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
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	963010	1052194
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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)		
(B) Participants	2a(1)(B)	222115	
(C) Others (including rollovers)	2a(1)(C)	71664	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		293779
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)	1552	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1552
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(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)		-61841
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		233490

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	122752	
(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)		122752
f Corrective distributions (see instructions)	2f		11252
g Certain deemed distributions of participant loans (see instructions)	2g		5872
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	4430	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		4430
j Total expenses. Add all expense amounts in column (b) and enter total	2j		144306

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		89184
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: RSM US LLP

(2) EIN: 42-0714325

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		725
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		1000000
4e	X		1000000
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)

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 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>EMPLOYMENT MANAGEMENT SERVICES 401(K) 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>EMPLOYMENT MANAGEMENT SERVICES, LLC</u>	D Employer Identification Number (EIN) <u>90-8082855</u>

Part I	Distributions
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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>95-6817943</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.)
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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
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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
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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.
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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

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Schedule R (Form 5500) 2018
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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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**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):

Employment Management Services 401(k) Plan

Financial Report
December 31, 2018

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Independent Auditor's Report

To the Participants, Plan Trustees and Plan Administrators
Employment Management Services 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Employment Management Services 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, the related statement of changes in net assets available for benefits for the year ended December 31, 2018, 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 audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrators 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 and provided by Capital Bank and Trust Company, the custodian of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrators that the custodian holds the Plan's assets and executes transactions. The Plan Administrators have obtained certifications from the custodian as of December 31, 2018 and 2017, and for the year ended December 31, 2018, that the information provided to the Plan Administrators by the custodian 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.

Emphasis of Matters—Subsequent Adoption of and Anticipated Plan Merger Into a Multiple Employer Plan

As discussed in Note 11 to the financial statements, due to changes in the Plan sponsor and its subsequent adoption as a participating employer of the SWBC Professional Employer Services Multiple Employer 401(k) Plan (SWBC Plan), eligible employees could begin participating in the SWBC Plan effective April 1, 2019. In addition, the Plan is expected to be merged into the SWBC Plan during 2019. Our disclaimer of opinion has not been modified with respect to these matters.

Other Matter—Supplemental Schedules

The supplemental schedules, Schedule H, Line 4a—Schedule of delinquent participant contributions for the year ended December 31, 2018, and Schedule H, Line 4i—Schedule of assets (held at end of year) as of December 31, 2018, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. The supplemental schedules are the responsibility of the Plan's management. 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 schedules.

Report on Form and Content in Compliance With the Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, 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.

RSM US LLP

San Antonio, Texas
October 11, 2019

Employment Management Services 401(k) Plan

Statements of Net Assets Available for Benefits December 31, 2018 and 2017

	2018	2017
Assets:		
Investments at fair value	\$ 1,031,845	\$ 949,442
Participant contributions receivable	2,342	2,812
Notes receivable from participants	18,007	10,756
Total assets	1,052,194	963,010
Liabilities:		
Excess contributions payable	-	11,252
Net assets available for benefits	\$ 1,052,194	\$ 951,758

See notes to financial statements.

Employment Management Services 401(k) Plan

Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2018

Additions to net assets attributed to:	
Investment income (loss):	
Net depreciation in fair value of investments	\$ (114,337)
Dividends	52,495
Total investment loss	<u>(61,842)</u>
Interest income on notes receivable from participants	<u>1,552</u>
Contributions:	
Participants	233,368
Rollovers	71,664
Total contributions	<u>305,032</u>
Total additions	<u>244,742</u>
Deductions from net assets attributed to:	
Benefits paid to participants	139,876
Administrative expenses	4,430
Total deductions	<u>144,306</u>
Net increase in net assets available for benefits	100,436
Net assets available for benefits at beginning of year	<u>951,758</u>
Net assets available for benefits at end of year	<u><u>\$ 1,052,194</u></u>

See notes to financial statements.

Employment Management Services 401(k) Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of Employment Management Services 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. The Plan was established effective January 1, 2012, and was amended and restated effective June 1, 2014. The Plan was sponsored by Employment Management Services, LLC (the Company or Plan Sponsor) through August 31, 2018. The Plan was most recently amended effective September 1, 2018, to permit Franklin Apartment Management, Ltd. to adopt the Plan as an adopting employer (the Company or Plan Sponsor) and subsequently amended effective January 1, 2019, to change Plan trustees.

General: The Plan is a defined contribution plan covering all employees of Employment Management Services, LLC who have completed two months of service and are age 18 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Dates of entry in the Plan are the first day of each quarter.

Contributions: The Plan does not allow for employer contributions.

Participants may elect to contribute up to 100% of eligible compensation. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Roth deferrals are allowed.

Participant accounts: Participants direct the investment of their contributions into various investment options offered by the Plan.

Each participant's account is credited with the participant's contribution and Plan earnings and 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 vested account.

Vesting: Participants are vested immediately in their contributions and actual earnings thereon.

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% of their vested account balance. Note terms shall be no more than five years except when the proceeds of a loan are used to acquire a dwelling to be used as a participant's principal residence, then the Plan Administrators may permit a longer repayment period. The notes are secured by the balance in the participant's account and bear interest, as determined by the Plan Administrators.

Principal and interest are paid through payroll deductions. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the Plan Administrators deem the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Excess contributions payable: Amounts payable to participants for contributions in excess of amounts allowed by the Internal Revenue Service (IRS) are recorded as a liability with a corresponding reduction to contributions. The Plan distributed the 2017 excess contributions to the applicable participants prior to March 15, 2018.

Employment Management Services 401(k) Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Payment of benefits: On termination of service, a participant may elect to receive a lump-sum distribution equal to the value of the participant's vested interest in his or her account. Any balance under \$5,000 is automatically paid out as soon as administratively possible. Hardship withdrawals are also available subject to certain limitations.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The accompanying financial statements are prepared on the accrual basis of accounting.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value. Fair value is the price that would be recognized to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's trustees determine the Plan's valuation policies utilizing information provided by the investment advisers and custodian. See Note 4 for disclosure of the fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation 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 is recorded on the accrual basis. 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, 2018 or 2017.

Notes receivable from participants have been classified as an investment asset for Form 5500 reporting purposes and, accordingly, have been included as an investment in the supplemental schedule, Schedule H, Line 4i—Schedule of assets (held at end of year).

Payment of benefits: Benefits are recorded when paid.

Administrative expenses: Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment-related expenses are included in net depreciation in fair value of investments.

Recent accounting pronouncement: In August 2018, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework—Changes to Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying or adding certain disclosures. ASU No. 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt any removed or modified disclosures and delay adoption of the additional disclosures until their effective date. The adoption of ASU No. 2018-13 is not expected to have a material impact on the financial statements.

Employment Management Services 401(k) Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Subsequent events: The Plan has evaluated subsequent events through October 11, 2019, the date the financial statements were available to be issued.

Note 3. Information Certified and Provided by Capital Bank and Trust Company

The following is a summary of the Plan's asset information as of December 31, 2018 and 2017, and for the year ended December 31, 2018, included throughout the Plan's financial statements and supplemental schedules, that was prepared by or derived from information provided by Capital Bank and Trust Company, the custodian of the Plan, and furnished to the Plan Administrators. The Plan Administrators have obtained certifications from the custodian that the information provided to the Plan Administrators by the custodian related to the following assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrators instructed the Plan's independent auditors not to perform any auditing procedures with respect to information that appears throughout the financial statements and supplemental schedules related to the following assets:

	December 31	
	2018	2017
Investments at fair value	\$ 1,031,845	\$ 949,442
Notes receivable from participants	18,007	10,756

Capital Bank and Trust Company also certified to the completeness and accuracy of \$114,337 of net depreciation in fair value of investments, \$52,495 of dividend income related to the aforementioned investments and \$1,552 of interest income on notes receivable from participants for the year ended December 31, 2018.

Note 4. Fair Value Measurements

The *FASB Accounting Standards Codification* (ASC) 820, Fair Value Measurements and Disclosures, establishes 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 under ASC, Fair Value Measurements and Disclosures, are described below.

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

Level 2: Inputs to the valuation methodology include:

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

Employment Management Services 401(k) Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

If the asset or liability has a specified (contractual) term, Level 2 inputs 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 that are used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2018 and 2017.

Mutual funds: Mutual funds are valued at the daily closing price, as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The method above 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 method is 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, 2018 and 2017:

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 1,031,845	\$ -	\$ -	\$ 1,031,845

	December 31, 2017			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 949,442	\$ -	\$ -	\$ 949,442

Note 5. Related-Party and Party-in-Interest Transactions

Certain Plan investments are shares of mutual funds managed by Capital Bank and Trust Company. Capital Bank and Trust Company is the custodian, as defined by the Plan and, therefore, these investments qualify as party-in-interest transactions.

The Plan Sponsor also paid certain administrative expenses related to the Plan for the year ended December 31, 2018. Fees paid by the Plan to the custodian totaled \$4,430 for the year ended December 31, 2018.

Employment Management Services 401(k) Plan

Notes to Financial Statements

Note 6. Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their Plan Sponsor contributions.

Note 7. Tax Status

Effective January 1, 2012, the Plan adopted a nonstandardized form of a prototype plan. The prototype plan has received a determination letter from the IRS as to the prototype plan's qualified status. The prototype plan opinion letter has been relied upon by the Plan. The Plan Administrators believe the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by applicable taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 8. 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 investments 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.

Note 9. Nonexempt Transactions

During 2018, the Plan Sponsor inadvertently failed to deposit \$725 of participant deferrals within the required time frame as stated by the United States Department of Labor's Rules and Regulations. The Plan Sponsor intends to reimburse the Plan for lost interest and will file Form 5330 and pay the applicable excise tax in 2019. The excise tax payment will be made from the Plan Sponsor's assets and not from assets of the Plan.

Note 10. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500:

	December 31	
	2018	2017
Net assets available for benefits per the financial statements	\$ 1,052,194	\$ 951,758
Add excess contributions payable	-	11,252
Net assets available for benefits per Form 5500	<u>\$ 1,052,194</u>	<u>\$ 963,010</u>

Employment Management Services 401(k) Plan

Notes to Financial Statements

Note 10. Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of the net increase in net assets available for benefits for the year ended December 31, 2018, per the financial statements to Form 5500:

Net increase in net assets available for benefits per the financial statements	\$ 100,436
Less prior-year excess contributions payable	<u>(11,252)</u>
Net income per Form 5500	<u>\$ 89,184</u>

Note 11. Plan Amendments and Subsequent Events

On August 7, 2018, it was announced that the services of payroll, benefits and other human resources functions currently performed by the Company would be transferred to another San Antonio-based firm, SWBC Professional Employer Services (SWBC). This transaction was completed during 2018 and the Company dissolved its operations at that time. Effective September 1, 2018, the Plan was adopted by Franklin Apartment Management, Ltd. (Franklin), a related entity participating in the Plan, as Plan Sponsor. Effective January 1, 2019, the Plan Administrator and trustee was replaced with two different individuals to serve as Plan Administrators and trustees. Effective April 1, 2019, Franklin adopted the SWBC Professional Employer Services Multiple Employer 401(k) Plan (SWBC Plan) as a participating employer. Effective April 1, 2019, eligible employees could participate in the SWBC Plan. Participant deferrals made beginning April 1, 2019, are remitted into the SWBC Plan. Participant balances under the Plan remain in the custody of Capital Bank and Trust Company and participants can transact within and access their accounts; however, no deferrals made subsequent to March 31, 2019, are accepted into the Plan. The transfer of assets and completion of the Plan merger is expected to occur during 2019.

Supplemental Schedules

Employment Management Services 401(k) Plan
Employer Identification Number 90-8082855, Plan Number 001

Schedule H, Line 4a—Schedule of Delinquent Participant Contributions
Year Ended December 31, 2018

Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments are Included [X]	Total That Constitutes Nonexempt Prohibited Transactions			
	Contributions	Contributions	Contributions	Total Fully Corrected
	Not Corrected	Corrected Outside VFCP	Pending Correction in VFCP	Under VFCP and PTE 2002-51
	\$ 725	\$ -	\$ -	\$ -

Participant contributions were not remitted on a timely basis during the year ended December 31, 2018. The Form 5330 for the 2018 late contributions will be filed with the applicable excise taxes paid.

See independent auditor's report.

Employment Management Services 401(k) Plan
Employer Identification Number 90-8082855, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held at End of Year)
December 31, 2018

Identity of Issuer, Borrower or Similar Party	Description of Investment	Current Value
Capital Bank and Trust Company*:		
American Funds	Target Date Retirement 2030	\$ 161,996
American Funds	Target Date Retirement 2040	131,967
American Funds	Target Date Retirement 2035	125,792
American Funds	Growth Fund of America	84,256
American Funds	Target Date Retirement 2045	80,293
American Funds	Target Date Retirement 2025	67,726
American Funds	Target Date Retirement 2050	60,813
American Funds	Target Date Retirement 2020	46,845
American Funds	Fundamental Investor	46,484
American Funds	Washington Mutual Investors Fund	46,243
American Funds	Target Date Retirement 2055	38,923
American Funds	Small Cap World Fund	30,344
American Funds	American Balanced Fund	27,316
American Funds	New World Fund	18,163
American Funds	Global Balanced Fund	17,672
American Funds	Capital Income Builder	13,960
American Funds	Capital World Growth and Income Fund	13,198
American Funds	EuroPacific Growth Fund	7,284
American Funds	Target Date Retirement 2015	5,634
American Funds	American High Income Trust Fund	3,087
American Funds	Money Market Fund	1,526
American Funds	Target Date Retirement 2060	1,447
American Funds	Target Date Retirement 2010	349
American Funds	Short-Term Bond Fund	305
American Funds	Intermediate Bond Fund of America	158
American Funds	U.S. Government Securities Fund	64
Participant loans*	Interest rates ranging from 6.25% to 7.00% with various maturities	18,007
		<u>\$ 1,049,852</u>

*Represents a party in interest

The information above has been certified by Capital Bank and Trust Company, the custodian, as complete and accurate.

See independent auditor's report.

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment 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**2018****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

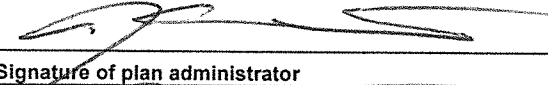
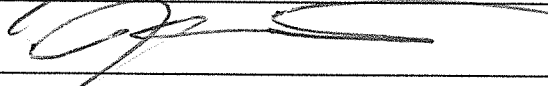
- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☐ the final return/report
☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ☐
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan Employment Management Services 401(k) Plan	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 01/01/2012
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) Employment Management Services, LLC 21260 Gathering Oak, Ste 101 Sant Antonio TX 78260	2b Employer Identification Number (EIN) 90-8082855 2c Plan Sponsor's telephone number 210-483-2410 2d Business code (see instructions) 561300

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		<u>10-19-18</u>	Kevin Wilbur
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>10-19-18</u>	Kevin Wilbur
	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 (2018)
v. 171027

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	5 484
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) 461
a(2) Total number of active participants at the end of the plan year	6a(2) 363
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits	6c 34
d Subtotal. Add lines 6a(2), 6b, and 6c.....	6d 397
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e.....	6f 397
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 106
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: 2F 2J 2G 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) ☐ 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 2018 Form M-1 annual report. If the plan was not required to file the 2018 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 _____

Supplemental Schedules

Employment Management Services 401(k) Plan
Employer Identification Number 90-8082855, Plan Number 001

Schedule H, Line 4a—Schedule of Delinquent Participant Contributions
Year Ended December 31, 2018

Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments are Included [X]	Total That Constitutes Nonexempt Prohibited Transactions			
	Contributions	Contributions	Contributions	Total Fully Corrected
	Not Corrected	Corrected Outside VFCP	Pending Correction in VFCP	Under VFCP and PTE 2002-51
	\$ 725	\$ -	\$ -	\$ -

Participant contributions were not remitted on a timely basis during the year ended December 31, 2018. The Form 5330 for the 2018 late contributions will be filed with the applicable excise taxes paid.

See independent auditor's report.

Employment Management Services 401(k) Plan
Employer Identification Number 90-8082855, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held at End of Year)
December 31, 2018

Identity of Issuer, Borrower or Similar Party	Description of Investment	Current Value
Capital Bank and Trust Company*:		
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American Funds	Target Date Retirement 2040	131,967
American Funds	Target Date Retirement 2035	125,792
American Funds	Growth Fund of America	84,256
American Funds	Target Date Retirement 2045	80,293
American Funds	Target Date Retirement 2025	67,726
American Funds	Target Date Retirement 2050	60,813
American Funds	Target Date Retirement 2020	46,845
American Funds	Fundamental Investor	46,484
American Funds	Washington Mutual Investors Fund	46,243
American Funds	Target Date Retirement 2055	38,923
American Funds	Small Cap World Fund	30,344
American Funds	American Balanced Fund	27,316
American Funds	New World Fund	18,163
American Funds	Global Balanced Fund	17,672
American Funds	Capital Income Builder	13,960
American Funds	Capital World Growth and Income Fund	13,198
American Funds	EuroPacific Growth Fund	7,284
American Funds	Target Date Retirement 2015	5,634
American Funds	American High Income Trust Fund	3,087
American Funds	Money Market Fund	1,526
American Funds	Target Date Retirement 2060	1,447
American Funds	Target Date Retirement 2010	349
American Funds	Short-Term Bond Fund	305
American Funds	Intermediate Bond Fund of America	158
American Funds	U.S. Government Securities Fund	64
Participant loans*	Interest rates ranging from 6.25% to 7.00% with various maturities	18,007
		<u>\$ 1,049,852</u>

*Represents a party in interest

The information above has been certified by Capital Bank and Trust Company, the custodian, as complete and accurate.

See independent auditor's report.

