

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation		Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.		OMB Nos. 1210-0110 1210-0089 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:		<input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)			
B This return/report is		<input type="checkbox"/> a one-participant plan <input type="checkbox"/> a foreign plan			
		<input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report			
		<input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)			
C Check box if filing under:		<input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> DFVC program			
		<input type="checkbox"/> special extension (enter description)			
Part II Basic Plan Information —enter all requested information					
1a Name of plan ROBERT J. HUGHES, DDS, PS CASH BALANCE PENSION PLAN		1b Three-digit plan number (PN) ▶		002	
		1c Effective date of plan		01/01/2013	
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) ROBERT J. HUGHES, DDS, PS 10025 19TH AVE SE EVERETT, WA 98208		2b Employer Identification Number (EIN)		91-1381351	
		2c Sponsor's telephone number		360-678-9378	
		2d Business code (see instructions)		621210	
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.		3b Administrator's EIN			
		3c Administrator's telephone number			
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name		4b EIN			
		4d PN			
5a Total number of participants at the beginning of the plan year		5a		6	
b Total number of participants at the end of the plan year		5b		5	
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		5c			
d(1) Total number of active participants at the beginning of the plan year		5d(1)		4	
d(2) Total number of active participants at the end of the plan year		5d(2)		3	
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		5e		0	
Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.					
Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.					
SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2019	ROBERT J. HUGHES		
	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		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500-SF.					
Form 5500-SF (2018) v. 17102					

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

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	653808	106224
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	653808	106224
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)		
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b		
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		0
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	544445	
e Certain deemed and/or corrective distributions (see instructions) ...	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g	3139	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		547584
i Net income (loss) (subtract line 8h from line 8c)	8i		-547584
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 3D
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) ☒ Yes ☐ No

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

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

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

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

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

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

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

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

Part VII Plan Terminations and Transfers of Assets

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

If "Yes," enter the amount of any plan assets that reverted to the employer this year **13a** 0

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

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

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	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

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

A Name of plan <u>ROBERT J. HUGHES, DDS, PS CASH BALANCE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ROBERT J. HUGHES, DDS, PS</u>	D Employer Identification Number (EIN) <u>91-1381351</u>

E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500
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Part I Basic Information

1 Enter the valuation date: Month _____ Day _____ Year _____			
2 Assets:			
a Market value.....	2a	<u>653808</u>	
b Actuarial value	2b	<u>653808</u>	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>0</u>	<u>0</u>	<u>0</u>
b For terminated vested participants	<u>2</u>	<u>4826</u>	<u>4826</u>
c For active participants	<u>4</u>	<u>610178</u>	<u>610178</u>
d Total	<u>6</u>	<u>615004</u>	<u>615004</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate.....	5	<u>5.87 %</u>	
6 Target normal cost	6	<u>0</u>	

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

SIGN HERE		<u>10/14/2019</u>
Signature of actuary		Date
<u>ROBERT V. ANTHONY</u>		<u>17-04924</u>
Type or print name of actuary		Most recent enrollment number
<u>NORTHWEST PLAN SERVICES, INC.</u>		<u>425-742-0177</u>
Firm name		Telephone number (including area code)
<u>15130 MAIN STREET, SUITE 300</u> <u>MILL CREEK, WA 98012</u>		
Address of the firm		

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

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	3250
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	3250
10 Interest on line 9 using prior year's actual return of <u>11.20</u> %	0	364
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.06</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	3614

Part III Funding Percentages

14 Funding target attainment percentage	14	105.68%
15 Adjusted funding target attainment percentage	15	105.72%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	100.37%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21	Discount rate:			
a	Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%
		<input type="checkbox"/> N/A, full yield curve used		
b	Applicable month (enter code)	21b	0	
22	Weighted average retirement age	22	62	
23	Mortality table(s) (see instructions)	Prior regulation:	<input type="checkbox"/> Prescribed - combined	<input type="checkbox"/> Prescribed - separate
		Current regulation:	<input checked="" type="checkbox"/> Prescribed - combined	<input type="checkbox"/> Prescribed - separate
			<input type="checkbox"/> Substitute	<input type="checkbox"/> Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

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

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41	If an election was made to use PRA 2010 funding relief for this plan:			
a	Schedule elected	<input type="checkbox"/> 2 plus 7 years	<input type="checkbox"/> 15 years	
b	Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008	<input type="checkbox"/> 2009	<input type="checkbox"/> 2010
		<input type="checkbox"/> 2011		

ROBERT J. HUGHES, D.D.S., P.S.
CASH BALANCE PENSION PLAN

ACTIVE PARTICIPANTS AS OF JANUARY 1, 2018
Distribution of Salary

AGE	YEARS OF VESTING SERVICE					
	Less than 2		2 - 4		5 - 9	
	NUMBER	EARNINGS	NUMBER	EARNINGS	NUMBER	EARNINGS
Less than 25	0	\$ 0.00	0	\$ 0.00	0	\$ 0.00
25 to 29	0	0.00	0	0.00	0	0.00
30 to 34	0	0.00	0	0.00	0	0.00
35 to 39	0	0.00	0	0.00	0	0.00
40 to 44	0	0.00	0	0.00	0	0.00
45 to 49	0	0.00	0	0.00	1	59,443.90
50 to 54	0	0.00	0	0.00	0	0.00
55 to 59	0	0.00	0	0.00	0	0.00
60 to 64	0	0.00	0	0.00	0	0.00
65 and over	0	0.00	0	0.00	0	0.00
TOTALS	0	\$ 0.00	0	\$ 0.00	1	\$ 59,443.90

AGE	YEARS OF VESTING SERVICE					
	10 - 14		15 - 19		20 - 24	
	NUMBER	EARNINGS	NUMBER	EARNINGS	NUMBER	EARNINGS
Less than 25	0	\$ 0.00	0	\$ 0.00	0	\$ 0.00
25 to 29	0	0.00	0	0.00	0	0.00
30 to 34	0	0.00	0	0.00	0	0.00
35 to 39	0	0.00	0	0.00	0	0.00
40 to 44	1	86,567.77	0	0.00	0	0.00
45 to 49	0	0.00	0	0.00	0	0.00
50 to 54	0	0.00	0	0.00	0	0.00
55 to 59	0	0.00	0	0.00	0	0.00
60 to 64	1	45,600.00	0	0.00	0	0.00
65 and over	0	0.00	0	0.00	0	0.00
TOTALS	2	\$ 132,167.77	0	\$ 0.00	0	\$ 0.00

AGE	YEARS OF VESTING SERVICE				AVERAGES
	More than 24		All Years		
	NUMBER	EARNINGS	NUMBER	EARNINGS	
Less than 25	0	\$ 0.00	0	\$ 0.00	AGE: 54.50 SALARY: 119,242.45 SERVICE: VESTING: 15.250 BENEFIT: 15.250
25 to 29	0	0.00	0	0.00	
30 to 34	0	0.00	0	0.00	
35 to 39	0	0.00	0	0.00	
40 to 44	0	0.00	1	86,567.77	
45 to 49	0	0.00	1	59,443.90	
50 to 54	0	0.00	0	0.00	
55 to 59	0	0.00	0	0.00	
60 to 64	0	0.00	1	45,600.00	
65 and over	1	285,358.12	1	285,358.12	
TOTALS	1	\$ 285,358.12	4	\$ 476,969.79	

**ROBERT J. HUGHES, D.D.S., P.S.
CASH BALANCE PENSION PLAN**

ACTUARIAL ASSUMPTIONS

January 1, 2018

As prescribed by federal law, the funding method used for this valuation is the "Unit Credit" funding method. The requirements set forth in this report have as their basis the following valuation assumptions. No specific valuation assumptions are prescribed by the Plan. The requirements set forth in this report have as their basis the following valuation assumptions.

1) **INTEREST RATE**

The interest rate assumptions employed in this valuation are summarized below:

<u>Liability Measured</u>	<u>Rates</u>	<u>Date Adopted</u>
Funding (Exhibits 1 through 8)	3.92%/5.52%/6.29%	January 1, 2018
Funding Effective Rate	5.87%	January 1, 2018
ASC 960 (Exhibit 9)	5.87%	January 1, 2018
Maximum Deductible Contribution (Exhibit 8)	1.81%/3.68%/4.53%	January 1, 2018

The *Funding Effective Rate* is used to discount receivable contributions for determining the Market Value of Assets for Funding purposes. It is determined as the single rate that when used to calculate liabilities, produces the same liability amount as the required three segment rates used for funding purposes.

The annual interest adjustment rate assumption on the hypothetical accounts is 5.00%. The annual hypothetical contribution rates assumption for the current plan year is the same as the actual contribution rates applied for the previous plan year.

2) **MORTALITY**

For all purposes, the sex-distinct RP-2014 (Combined) Mortality Table projected using the MP-2016 projection scale was used to estimate participant mortality rates (adopted on January 1, 2018).

3) **TERMINATIONS**

There is no turnover assumption. All participants are assumed to terminate employment on their Normal Retirement Date.

4) **SALARY SCALE**

Salaries are assumed to increase at the rate of 3.5% per year.

**ROBERT J. HUGHES, D.D.S., P.S.
CASH BALANCE PENSION PLAN**

APPENDIX B
(Continued)

ACTUARIAL ASSUMPTIONS

January 1, 2018

5) **EXPENSES**

Plan expenses are assumed to be paid by the Employer.

6) **VALUATION OF ASSETS**

For all purposes, Plan assets are valued at market value.

7) **RETIREMENT AGE**

Participants are assumed to retire at the Normal Retirement Age of 62.

CHANGES SINCE THE PRIOR YEAR

All actuarial assumptions described above are the same as used in the prior year's report, except for the Funding interest rate assumptions, which are mandated changes by law.

The mortality table was updated from the RP-2000 Mortality Table to the RP-2014 Mortality Table using the MP-2016 scale to incorporate improvements in life expectancy into liability results as required by law

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

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

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

OMB No. 1210-0110

2018**This Form Is Open to Public
Inspection**

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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

A Name of plan Robert J. Hughes, DDS, PS Cash Balance Pension Plan		B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Robert J. Hughes, DDS, PS		D Employer Identification Number (EIN) 91-1381351	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I Basic Information

1 Enter the valuation date: Month _____ Day _____ Year _____			
2 Assets:			
a Market value.....	2a	653,808	
b Actuarial value	2b	653,808	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	0	0	0
b For terminated vested participants	2	4,826	4,826
c For active participants	4	610,178	610,178
d Total	6	615,004	615,004
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	<input type="checkbox"/>		
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate.....	5	5.87%	
6 Target normal cost	6	0	

Statement by Enrolled Actuary

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

**SIGN
HERE**

Signature of actuary

Robert V. Anthony

Type or print name of actuary

Northwest Plan Services, Inc.

Firm name

15130 Main Street, Suite 300

Mill Creek WA 98012

Address of the firm

10/14/2019

Date

1704924

Most recent enrollment number

425-742-0177

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.****Schedule SB (Form 5500) 2018
v. 171027**

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	3,250
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	3,250
10 Interest on line 9 using prior year's actual return of <u>11.20%</u>	0	364
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.06%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	3,614

Part III	Funding Percentages
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14	Funding target attainment percentage	14	105.68%
15	Adjusted funding target attainment percentage.....	15	105.72%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	100.37%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV	Contributions and Liquidity Shortfalls
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18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ▶	18(b)	0
					18(c)
					0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? Yes No

C If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

Equity Statement as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.92 %2nd segment:
5.52 %3rd segment:
6.29 %☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

0

22 Weighted average retirement age**22**

62

23 Mortality table(s) (see instructions)

Prior regulation:

☐

Prescribed - combined

☐

Prescribed - separate

☐

Substitute

Current regulation:

☒

Prescribed - combined

☐

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6)..... **31a** 0**b** Excess assets, if applicable, but not greater than line 31a **31b** 0**32** Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment..... 0 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... **34** 0

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement..... 0 0 0**36** Additional cash requirement (line 34 minus line 35)..... **36** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 0**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Robert J. Hughes, DDS, PS
Cash Balance Pension Plan
EIN: 91-1381351
Plan: 002
2018

Schedule SB, Line 22 -
Description of Weighted Average Retirement Age

All participants are assumed to retire at the Plan's Normal Retirement Age of 62.

**ROBERT J. HUGHES, D.D.S., P.S.
CASH BALANCE PENSION PLAN**

**SUMMARY OF PLAN
January 1, 2018**

1) EFFECTIVE DATE OF PLAN

The plan was originally effective on January 1, 2013. The Plan was frozen effective February 29, 2016.

2) FUNDING

The plan is funded by employer contributions to a trust fund.

3) EMPLOYEES INCLUDED

Employees shall be eligible to participate on the January 1 or July 1 on or following the completion of one year of eligibility service.

4) PLAN YEAR

The plan year is the 12-month period from January 1 to December 31.

5) EMPLOYER CONTRIBUTIONS

The employer contributes amounts sufficient to maintain the trust at an adequate level.

6) EMPLOYEE CONTRIBUTIONS

Participants in the plan are neither required nor allowed to make any contributions.

7) YEAR OF SERVICE

For vesting purposes, a year of service is credited for each plan year in which an employee completes 1,000 hours of service. For eligibility purposes, a year of service is the 12-month period beginning with the employee's hire date or, if the employee does not complete 1,000 hours during this period, the plan year beginning in the employee's first employment year during which they complete 1,000 hours of service. For benefit purposes, a year of service is credited for each plan year in which an employee completes 1,000 hours of service as a participant. Effective 2/29/2016, service was frozen for benefit and eligibility purposes.

**ROBERT J. HUGHES, D.D.S., P.S.
CASH BALANCE PENSION PLAN**

APPENDIX A
(Continued)

**SUMMARY OF PLAN
January 1, 2018**

8) COMPENSATION

Compensation is defined as Internal Revenue Code Section 415 Compensation, which generally would include the amount of wages, salaries, or fees for professional services paid by the employer plus any deferred compensation such as 401(k) deferrals. Effective 2/29/2016, salary was frozen for benefit purposes.

9) RETIREMENT DATE

The normal retirement date for any participant shall be the first day of the month on or immediately following the day they reach age 62. There is no early retirement date. The deferred retirement date is the date a participant actually retires and begins to receive benefits, provided such date is after the participant's normal retirement date.

10) RETIREMENT BENEFIT

Normal - The normal retirement benefit is payable as a lump sum and is equal to the balance in the participant's Cash Balance Account.

Early - None.

Deferred - The deferred retirement benefit is payable as a lump sum and is equal to the balance in the participant's Cash Balance Account.

The Cash Balance Account is made up of hypothetical contributions to the account and interest adjustments made to the account. Hypothetical contributions are as defined in the Plan Document with most participants receiving the minimum contribution allocation needed to satisfy both benefit nondiscrimination and coverage. The interest adjustment for a plan year uses the lesser of 5.50% or the actual rate of return on the aggregate assets of the plan for that plan year. Effective 2/29/2016, the plan was frozen so that hypothetical contributions earned after June 29, 2016 are not recognized.

**ROBERT J. HUGHES, D.D.S., P.S.
CASH BALANCE PENSION PLAN**

APPENDIX A
(Continued)

**SUMMARY OF PLAN
January 1, 2018**

10) RETIREMENT BENEFIT OPTIONS

The following forms of payment are available to participants:

- a) Single Life Annuity, if Lump Sum is over \$5,000
- b) 50%, 75%, or 100% Joint and Survivor Annuity, if married and Lump Sum is over \$5,000
- c) Lump Sum Distribution

11) DEATH BENEFIT

If death occurs prior to the commencement of benefit payments, a participant's beneficiary is entitled to the present value of their accrued benefit.

12) DISABILITY BENEFIT

None.

13) VESTED BENEFIT

If the terminating participant has completed one or more years of vesting service, the participant is vested in a portion of his accrued benefit according to the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 3	0%
3 or more	100%

In addition, participants will become 100% vested at their normal retirement date or upon their death.