



DECEMBER 2020

## Year-End Processing: What You Need to Know

As 2020 comes to an end, it is time to start thinking about year-end processing and compliance-related items for your retirement plan.

As the Plan Sponsor, it begins with you. After Milliman processes the final payroll file for your plan year, a year-end census report will be produced and made available online. You will receive an email stating that your annual census report and client questionnaire are ready. If you are a first-time user of Milliman's secure web portal, you will receive a second email with your password.

The annual census report contains information about each of your employees including their date of birth, date of hire, date of eligibility, hours, compensation and if applicable, date of termination. The client questionnaire is used to determine if you will be funding a profit sharing contribution, who will be signing the Form 5500 and other general information about the Plan.

Milliman encourages you to review and return the report and questionnaire within two weeks from receipt to help ensure that compliance testing is completed within 2½ months after your plan year-end. It is important to review the census report and complete the questionnaire as Milliman uses these for ongoing activities. This information impacts:

**Participant Accounts.** The census includes information that determines participants':

- Eligibility.
- Vesting.
- Loan and distribution options.

**Nondiscrimination Testing.** Milliman will use the information on the census and questionnaire to determine if the plan meets the requirements for nondiscrimination testing. The purpose of this test is to ensure benefits provided to Highly Compensated Employees (HCEs) are not disproportionate to those benefits provided to Non-Highly Compensated Employees (NHCEs).

**Contribution/Forfeiture Allocations.** If your plan offers a profit sharing contribution, Milliman will use the census data to determine eligibility and the allocation amount on your behalf.

**Form 5500.** The Form 5500 is part of ERISA's overall annual reporting and disclosure framework that is filed with the Department of Labor (DOL). As previously noted, starting with the December 31, 2020 plan year-end filings, Milliman will offer to file the Form 5500 on your behalf.

Milliman will complete the Form 5500 and provide to you for review. Upon review, you will be provided instructions to either:

- Log in and file the forms as you have in prior years using your DOL credentials, or
- Sign, scan, and return the annual authorization form and the first page of each filing so that a Milliman representative can file on your behalf.

After you have reviewed the census report and completed the questionnaire, log back into the web portal and upload the files.

Year-end processing is a very important aspect of the plan. If you have any questions or need assistance, please call 800.652.6675 option 2.

## Reminder: Plan Communications

As the focus moves to the new year, it is important to remember that Milliman can continue to help educate your participants about the importance of saving for retirement and help them learn more about the plan.

### In-Person or Virtual Meetings

The Co-op 401(k) Plan and Milliman have Relationship Managers that can travel throughout the country. They offer a variety of meeting topics including new-hire meetings and general education such as the importance of saving and the benefit of having an employer-sponsored plan.

If you'd like to host a meeting, but have concerns about an in-person gathering, the Relationship Managers can also host virtual meetings for sponsors and employees. If you are interested in having someone speak to you or your employees about your plan, please contact your Relationship Manager.

### Videos, Podcasts and Webinars

Plan sponsors and participants can visit [Coop401kplan.com](http://Coop401kplan.com) for information about the plan, its investments and more. The site offers videos and articles promoting financial wellness. Topics include: the importance of saving, life and legacy planning and market news.

Milliman also produces a podcast, "What to do When..." that discusses topics of the day. Earlier this year, our consultants discussed the impact of COVID-19 and market volatility. These podcasts are free for participants to listen to and are available on [healthyfinancialoutcomes.com](http://healthyfinancialoutcomes.com).

### MillimanBenefits.com

On [MillimanBenefits.com](http://MillimanBenefits.com), participants have access to a wide variety of educational resources. By clicking on the Financial Wellness link located at the top of every page, participants can access even more videos, articles and calculators to help them plan for their retirement. Within the Financial Wellness section of the site, participants can learn more about topics such as investing basics, plan fees, account security and making their money last in retirement.

## Participant Experience Emphasis for 2021

- Help people get back on track and resolve pain points.
- Targeted messages based on participants' actions (or inaction).
- Account security.
- Leverage automated and operational participant touchpoints.
- Share stories to answer real-life questions.

### JANUARY 2021 ACCOUNT REGISTRATION CAMPAIGN

- A targeted email will be sent to participants with a balance who are not registered.
- For participants (with a balance) without an email address on file, we will mail a flyer to their home address.

### FINANCIAL WELLNESS WEBINAR

Our first webinar of 2021 will be held live on February 23, 2021. *My Financial Life: Back on Track* will help participants learn:

- Spending habits: lessons from the pandemic.
- Tips on how to cut back and take charge.
- Simple ways to power up your savings.

Email invitations will be sent to participants in early February. View webinar events any time on our Financial Wellness Website.

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