

# 2022 YEAR IN REVIEW

**DAIFUKU**  
WYNRIGHT CORPORATION

## Executive Summary

Our mission is to deliver comprehensive advisory services that help plan sponsors meet and exceed their fiduciary responsibilities by providing them with the proper risk management solutions and independent advice they need.

Our commitment to providing you with independent, objective advice to facilitate meaningful plan decisions has not wavered. And we look forward to continuing to serve you in 2023 and beyond.

### At PlanPILOT, we are focused on:

- ▶ **Delivering comprehensive plan consulting**
- ▶ **Mitigating plan risk and limiting fiduciary liabilities**
- ▶ **Improving plan outcomes for your participants**
- ▶ **Minimizing investment risks**
- ▶ **Providing clarity and conviction**

## Your Plan's Progress

Here is where your plan stood at the beginning and at the end of 2022:

	1-1-2022	12-31-2022	Changes
Plan Assets	\$73,040,639	\$61,945,565	15.2% ▼
Total Participants	628	741	18.0% ▲
Average Account Balance	\$116,307	\$83,597	28.1% ▼
Number of Funds*	18	18	--
Percentage of Funds with Passing Grades**	100.0%	94.4%	5.6% ▼

\* The plan's target date series is counted as a single fund option.

\*\* T.Rowe Price Growth Stock was flagged in the 4Q2022 report, and PlanPILOT is recommending a replacement fund in this category.

Retirement Assets	2022
2022 Contributions	\$6,641,310
2022 Rollovers	\$3,972,123
2022 Distributions	-\$4,541,001
Market Appreciation	-\$17,167,506

## Accomplishments in 2022

### Plan Governance and Fiduciary Management

We helped you to adhere to fiduciary standards. Last year we:

- Met formally with your committee four times
- Developed meeting agendas and detailed committee meeting minutes
- Obtained and maintained annual committee member documentation
- Maintained SecureDrawer fiduciary file cabinet to organize your plan-related documents

### Fiduciary Training

As part of the regularly scheduled quarterly committee meetings, PlanPILOT conducted fiduciary training for committee members. Topics covered in 2022 included:

- DOL ESG Rule & ESG Fund Evaluation
- DOL guidelines on locating missing participants
- Fiduciary Education Best Practices
- Helping participants protect their data from cyber criminals

### Investment Oversight

Diversified investment options that meet your investment policy guidelines are central to your plan. In 2022, we:

- Monitored the funds you offer within your plan
- Reviewed your plan's investment policy statement, recommending updates to ensure ongoing compliance with ERISA guidelines and consistency with your investment oversight process
- Enhanced the plan's investment menu to include best-in-class fund options with a focus on reducing investment volatility and minimizing costs
- Reviewed all plan investments to ensure the lowest-cost share class is offered to plan participants
- Provided supplemental fund analysis for investment options that experienced performance and/or risk challenges in 2022

- Performed an in-depth review of the plans' T. Rowe Price Retirement target date funds to gauge their performance relative to peers, and to ensure they continue to provide an appropriate fit for Wynright participants

## **Auto Enrollment**

The committee evaluated various auto enrollment options, and elected to implement auto enrollment for all new participants hired on or after 4/1/2022. A 6% automatic enrollment level was selected to align with the elective deferral rate that maximizes employer matching contributions. The addition of auto enrollment has significantly improved participation from new employees compared to participation rates prior to the addition of this feature. The committee has reviewed quarterly reports from T. Rowe Price to continually gauge the impact of this new feature, noting an increase from approximately 50% to roughly 90% participation for new employees.

Looking ahead, the committee will continue its assessment of adding an auto escalation feature with the goal of driving even higher contribution rates for Wynright employees.

## **Recordkeeping Agreement Review**

T. Rowe Price's Recordkeeping Agreement was reviewed with a focus on guidelines relative to the utilization of participant data and marketing of recordkeeper services and products. Through discussions with T. Rowe Price, it was agreed to adopt a Cybersecurity Addendum to the Agreement to clearly spell out restrictions on participant data sharing.

## **Revenue Credit Account and Fee Leveling Review**

The committee performed a thorough review of the plan's current method of paying for plan expenses—an equal amount built into each individual investment. Plan revenue and expenses were assessed to determine that the plan's current revenue structure remains appropriate at this time. Going further, the committee regularly reviewed the plan's revenue credit account to identify any excess balances that could be credited back to plan participants.

## 2023 Initiatives

### Investment Oversight

PlanPILOT will continue to assist you with ongoing oversight of plan investments, and in identifying opportunities to implement investment changes that would benefit your employees. As appropriate, in-depth investment analysis will be conducted to help you better understand investment funds showing changing or concerning characteristics.

We will conduct our periodic review of your Investment Policy Statement, ensuring consistency with your current investment structure and with ERISA guidelines.

### Auto Escalation

T. Rowe Price and PlanPILOT will support the committee in its ongoing assessment of auto escalation options for the plan to encourage higher employee contribution rates.

### Ongoing Plan Compliance and SECURE Act 2.0

PlanPILOT and T. Rowe Price will assist the committee with monitoring ERISA and IRS developments, ensuring new requirements are adopted by the plan on a timely basis.

The recent passage of SECURE Act 2.0 will be a focal point in 2023, and we will assist the committee with reviewing the provisions and adopting features appropriate for the Wynright plan.

### Plan Governance Oversight

PlanPILOT will continue the process that began in 2020 of automating the annual committee-related forms—the annual Conflict of Interest Disclosure and the Fiduciary Acknowledgement.