



FCMM RETIREMENT PLAN OPTIONS UPDATED

Rev. Jerry Rich, Director of Benefits & Technology

During the past year, while FCMM updated its organizational structure through incorporation, it also worked to simplify and expand the fund options for its participants.

You may now direct your fund contributions, whether from your employer or from your own salary deferral, to any fund option. Those who prefer the features of Option C, *Conservative Growth with Annuity Benefit Fund*, can now invest their deferral contributions into this fund.

FCMM is also combining Options B and D, *Moderate Growth Stock Fund*. Previously “B” was for employer contributions and “D” was for salary deferral contributions. Beginning with the first quarter statement of 2013, those who had balances in both funds will see the combined amount reported in “D.”

In summary, the fund options to which an FCMM participant may direct any of his or her employer contributions and salary deferral contributions are:

FCMM-Provided Funds

Conservative Growth with Annuity Benefit Fund (Option C)

Consider this fund if you prefer long-term stability and annuity-income in retirement.

In Option C, participants pool their investments with other participants in a balanced approach overseen by the FCMM trustees and investment advisers.

Moderate Growth Stock Fund (Option D)

This fund duplicates the equity portfolio portion of FCMM’s Option C. As with all other options except C, it may be taken as lump sum in retirement or annuitized. If you’d like some portion of your retirement investment to “ride” with the stock market, this fund can provide the benefit without requiring specific equity investment decisions.

Diversified Bond Fund (Option E)

This fund duplicates the bond portfolio portion of FCMM’s Option C. The balance of Option E may be taken as lump sum in retirement or annuitized. For the investor who would like some portion to track with bonds, this fund can provide the benefit without requiring specific bond or bond-fund investment decisions.

Self-Selected Mutual Funds

American Funds (Option F)

For the participant who likes more choices, we offer a selection of the major American Funds mutual funds (20+ funds), including a range of target-date funds. (Target-date

funds are managed for a diminishing level of risk as the retirement target date approaches.) FCMM recommends that participants seek professional investment advice when considering mutual funds.

Vanguard Funds (Option G)

FCMM offers a large array of mutual funds in the Vanguard family (80+ funds) that allows significant options for investment planning, including Vanguard’s target-date funds. Self-selected mutual funds are not usually recommended for the casual investor.

Adjustable Fund

Adjustable Rate Investment (Option H)

This fund invests with Christian Investors Financial (EFCA-affiliated provider of ministry capital financing) at a competitive market rate.

FCMM continues to offer a broad menu of opportunities for church retirement plan design and participant options as we serve those who serve.

2013 CONTRIBUTION LIMITS

Overall Limit: \$51,000 or 100% of includible compensation (excluding a housing allowance)

Salary Deferral Limit: \$17,500

Age 50+ Catch-Up: \$5,500

Continued on page 2

2013 CONTRIBUTION LIMITS EXPLAINED

Continued from page 1

Overall Limit

The overall limit, which is also called the limit on annual additions or the 415(c) limit, covers both employer and employee salary deferral contributions to 403(b) plans like FCMM. In 2013, the total combined amount of employer and employee salary deferral contributions that can be contributed to a retirement plan is the lesser of \$51,000 or 100% of includible compensation. The IRS, in its Publication 571, says that includible compensation generally “is the amount of taxable wages and benefits you received from the employer that maintained a 403(b) account for your benefit during your most recent year of service.” When calculating compensation for contribution limit purposes, a tax-excludable clergy housing allowance is excluded. For more information, see *Zondervan 2013 Minister’s Tax & Financial Guide* by Dan Busby, J. Michael Martin, and John Van Drunen (Zondervan, 2013).

Salary Deferral Limit

The salary deferral limit is also called the limit on elective deferrals or the 402(g) limit. This limit applies to all employee salary deferral contributions, whether pre-tax or Roth contributions. In 2013, one can defer up to \$17,500 from one’s salary for retirement. An additional \$5,500 can be deferred if one is over age 50. For more information about salary deferral contributions, see FCMM’s Participant Salary Deferral Agreement (Form 03) available at www.fcmmbenefits.org.

Note that a service-based catch-up contribution is no longer available under the FCMM Retirement Plan.

BENEFITS RESOURCES

When you attend an EFCA conference, whether district or national, representatives of FCMM will be available to consult and assist you.



EFCAOne Conference—July 1-3, New Orleans—Both workshops and individual consultations will be available at this national gathering of the EFCA family. Workshops will include *Retirement Planning Today* and *Intro to FCMM Retirement Plan*. Local church leaders will find helpful information for providing staff benefits and plan design. For registration and specific information, visit www.efcaone.org.

Other Benefits—FCMM is considering offering a payroll service for local churches. The service will provide a cost-effective system to a church of any size. If you are interested in early information, please contact Jerry Rich, jerry.rich@efca.org, to be included in a preview group.

PARTICIPANT ACCOUNT WEB ACCESS CHANGE

PLEASE USE THE NEW ADDRESS, WWW.PARTICIPANTLOGIN.COM/FCMM, TO ACCESS YOUR ACCOUNT ONLINE.

Using the same login information as you did on the previous site, you can access your latest account values 24/7 online at www.participantlogin.com/fcmm. The self-selected mutual fund values are updated on a daily basis. FCMM-provided funds values and the adjustable rate fund value are updated on a monthly basis.

The new site is also mobile friendly for you to look up information. The mobile version does not accept requests.

MEET THE TEAM



STAFF

Lexi Lorentz serves as a Retirement Operations Specialist with the FCMM Retirement Plan. She started with FCMM in early 2009. Previously, she had worked with NextStep Resources and in local church ministry in Brooklyn, NY. Lexi attended Northwestern College in St. Paul, MN where she earned a degree in History and in Bible. She is currently pursuing a graduate degree and hopes to someday be done with homework. When she does have free time, Lexi enjoys hiking, reading novels, and playing board games with friends and family.



BOARD

Eric Berglund, CPA, joined the FCMM Board of Trustees in 2012. He serves as chairman of the audit committee. Eric is an audit senior manager with KPMG LLP, specializing in providing assurance services to investment services and insurance companies. He and his wife, Kari, have two children and reside in Hugo, MN. They attend First EFC of Maplewood, MN, where Eric serves on the Elder Board and as church treasurer.