

News & Notes

Fall 2014

NEW!

Introducing FCMM Payroll Service

FCMM is pleased to announce that we are offering a new payroll processing service coupled with an enhanced FCMM Long Term Disability/Term Life Insurance Plan (LTD) benefit. Partnering with ABG Payroll, we can offer a cost-effective service that enables a church of any size to administer worry-free payroll and tax reporting through a provider that understands church benefits.

Payroll Processing

FCMM Payroll Service includes capabilities for

- Payroll Processing
- All Requisite Tax Filing (Federal and State)
- Employee Direct Deposit
- Custom Reporting
- Integration with FCMM Benefits administration, including FCMM LTD Plan payments and FCMM Retirement Plan contributions.

Human Resources Solutions

FCMM provides online access for each participating church to ThinkHR, a reference library that includes benefits information, sample policies and forms, compliance information, and staff handbook resources. Our staff are also knowledgeable about many HR issues.

Cost Effective

The fees for the FCMM Payroll Service and the enhanced FCMM LTD Plan coverage are available for a single rate based on size of payroll as shown in the following chart. "Gross Payroll" means all earnings processed through the payroll system.

Annual Gross Payroll	Rate (% of Gross Payroll Amount)
<\$80,000	3.00% with minimum charge of \$100/payroll
\$100,000-\$299,000	2.50%
\$300,000-\$499,000	2.25%
\$500,000 and up	2.00%

Enhanced Disability and Life Insurance Coverage

The FCMM LTD with Term Life Insurance Plan is included with the Payroll Services. To maximize the value of the disability benefit, FCMM requires that the premiums for the LTD Plan be paid through an employee payroll deduction processed by the Payroll Services. The employer administers this benefit by increasing the employee's wages to compensate for the employee-paid premium ("Tax Choice" provision). This assures that the disability benefits are not subject to federal income tax.

Also included is Term Life and Accidental Death & Dismemberment Insurance in the amount of \$50,000, enhanced from our standard \$10,000 coverage for the standalone LTD Plan. (Term Life benefit is reduced to \$32,500 at age 70, and to \$25,000 at age 75.) All employees regularly working 25 hours per week or more are included.

Simplified Benefits Payment

Withholding and payment of elective deferrals and employer contributions to FCMM Retirement Plan can be readily administered through the Payroll Services, eliminating salary change reporting requirements and separate payments to FCMM.

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FCMM Announces Change to Pension Plan

The FCMM Board of Trustees has taken action to ensure the continued viability of the legacy Pension Plan (Option A). Closed to new contributions since 2003, the Pension Plan has continued, and will continue, to serve participants who have retirement annuity credits (also referred to as compensation credits) in the Plan. The sole change is that participants' retirement annuity credit balances, which have increased 6% annually since 2003, will no longer automatically receive that growth. Effective January 1, 2015, the accrued benefits will only be increased if the FCMM Board approves an ad hoc increase.

All Retirement Plan options (i.e. Options C,D,E,F,G,H,J) are separate from the Pension Plan and are not affected by this action concerning the Pension Plan. The Retirement Plan options are fully funded and represent nearly two-thirds of FCMM assets.

Current Pension Plan retirees' annuity payments will continue as is, and future retirees will be annuitized at retirement at the 12/31/2014 full value of their account.

For more information, Pension Plan participants should review their third quarter statements and a special mailing from FCMM.

Time to Make Sure W2 Reporting is Correct For Healthcare Premiums

By way of reminder, if a church is reimbursing or directly paying healthcare premiums for individual health insurance, the amount is deemed taxable income and should be correctly reported for 2014. Only employer-provided group health insurance continues to be recognized as a pre-tax benefit.

Meet the Team



STAFF

Karen
Giles

Karen joined FCMM in 2014 and brings with her several years of professional experience in the areas of Human Resources, Sales, and Customer Service. Prior to joining our team, she led the training efforts for a local software company, where her work included the design and development of instructional materials for their clients. Apart from her experience, Karen has a Degree in Human Development from the University of Minnesota. She supports FCMM as a resource for both churches and participants, providing assistance with enrollments, updates, and general account inquiries. Karen is eager to serve our participants and passionate about providing timely answers to their questions.



STAFF

John
Herman

John Herman joined the FCMM staff in July in a part-time capacity as Customer Relations Manager. For the last 22 years John had served as the EFCA's executive director of Pastoral Care Ministries, following previous pastoral roles. Originally, FCMM was sponsored by the EFCA Ministerial Association and for several years John served as plan administrator among his other duties. He continues his ministry to pastors, staff, and churches through his new focus on churches in the Central, Forest Lakes, Midwest, North Central, Northern Plains, and Rocky Mountain districts.

VISIT FCMM AT THE THEOLOGY CONFERENCE

You can find out more about FCMM's benefits programs while attending the 2015 EFCA Theology Conference at Trinity International University, January 28-30. FCMM representatives will be available for consultation.

In addition, Jeff Englin, Wealth Management Consultant, will be available for a limited number of 25-minute appointments Wednesday and Thursday. Visit the FCMM booth to sign up. (Reservations may be made only at the conference in person.)

Other opportunities at the conference:

- Wednesday Pre-Conference FCMM Luncheon, Church Legal and Financial Developments, presentation by Paul

Anderson, President of Christian Investors Financial. We have limited space and advance signup is required at the time you register for the conference. There is no cost for the luncheon.

- FCMM Update session – TBD

Conference information is available at go.efca.org/theologyconference.



... and at EFCAOne, too!

June 16-18, 2015, at North Coast Church, Vista, California.

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Optional "Per-Payroll" Workers Compensation Insurance Available

FCMM has also arranged to offer the services of a national broker to provide Workers Compensation insurance in all states except Alaska, calculated on a per-payroll basis and billed on a per-payroll basis. Using this optional per-payroll premium collection arrangement eliminates an up-front estimated premium invoice and lowers the risk of year-end audit surprises.

Bundled Benefits Included in the New Payroll Service Program Offering

To enable best cost, best practices, and efficient design, the FCMM Payroll Service is being offered within the following parameters.

- Bi-weekly (26 payroll periods per year) or semi-monthly (24 payroll periods per year) payrolls are available. Federal, state and local income tax remittance and reporting included.
- Payroll Services include the enhanced LTD Plan coverage. Both Payroll and LTD are required in combination.
- LTD Plan administered as employee payroll deduction with "Tax Choice" provision. This means the employer adds the LTD Plan premium (\$.008 annual rate) to the gross pay of each employee who is eligible (25 hours/week; no excluded classes), then deducts the amount through

payroll deduction. The net cost to the employee is the small tax on the premium. The benefit is that a disability claim will be paid as nontaxable income.

- Payroll information-sharing authorization is required so that FCMM can administer the benefits programs effectively.
- Execution of all required documents, including LTD Plan adoption, enrollment of participants, and other necessary forms.

Getting Started

Contact FCMM for more information. Onboarding services will be provided by ABG Payroll after completion of all required documents.

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FCMM serves as the church benefits organization of the Evangelical Free Church of America.

