

## FMCUSA PENSION PLAN – Behind the Scenes

### Have you ever wondered about the administration of or behind-the-scenes support of your FMCUSA Defined Benefit Pension Plan?

This is the first of a periodic series of communications about who or what is behind your Pension Plan. It is an attempt to be transparent and put a face on activities that are undertaken for your Pension Plan. I would like to introduce you to the Board of Administration (BOA) Benefits Committee.

The authority and responsibilities of the BOA Benefits Committee are set out in the 2019 Book of Discipline ¶4380+ E and F (pages 78-79). The Benefits Committee performs all of the tasks listed in the 2019 Book of Discipline.

In a nutshell, one primary goal of the Benefits Committee is to ensure financial security of your pension funds that you have worked so hard to accumulate, with the expectation that the defined benefits are available when you are ready to retire. An outcome to that goal is to instill a sense of peace and tranquility to allow you to concentrate on ministry and let the Benefits Committee worry about investment vehicle choices, the volatility of the market, and other pension-related issues.

The BOA Benefits Committee meets four times a year, and more often if necessary; two meetings are in person in Indianapolis. At each meeting, the Benefits Committee fulfills its fiduciary administrative responsibilities delegated by the BOA by monitoring the Pension Plan's actuarial, legal, investment,

administrative, and audit elements as explained in the 11-page pamphlet titled: "Defined Benefit Pension Plan Free Methodist Church." This document was sent to you last year. The Benefits Committee works on horizons that are 20, 30, and 40 years into the future. The members of the BOA Benefits Committee, many whom have unique specialized areas of expertise are:

**Greg Delamarter\***, actuary, 33 years of service on the Benefits Committee (Gateway)

**Rev. Dale Woods\***, Free Methodist Global Ministries, 17 years (East Michigan)

**Kirk Hoffman\***, Free Methodist Foundation, CFP, ChFC, 15 years (Southern Michigan)

**Rev. Darrel Riley\***, retired Conference Superintendent, 9 years (Southeast)

**Charles Toy**, attorney, 9 years, (East Michigan)

**Melinda Vokal**, CEO/President of a major manufacturing company, 7 Years (North Michigan)

**Rev. John Lane\***, Conference Superintendent, 3 years (New South and Wabash).

**Mark Dowley\***, WMC Chief Operating Officer, 4 years

\*Participant or beneficiary of FMC-USA Defined Benefit Pension Plan

Also attending most Benefits Committee meetings are representatives of entities that assist the Pension Plan, such as Nyhart (pension actuarial consulting), The Free Methodist Foundation (investment



management and financial wellness planning for plan participants), and Syntrinsic (investment research and analytics), along with the FMCUSA Human Resources staff (Pension Plan Administration).

If you have any questions regarding the Benefits Committee, feel free to contact a member of the Committee. For questions about the Pension Plan, please contact the FMCUSA Human Resources staff at 800-342-5531.

Thank you for your service to the Kingdom and ministry to His people. May the Lord richly bless you throughout 2022.

**Charles R. Toy, Chair  
Benefits Committee**

517-321-4491  
toy@cooley.edu

## Human Resources

### Working Together in the Body for Christ

*Located at the Free Methodist World Ministries Center in Indianapolis, Indiana, the Human Resources Department serves the personnel needs of the World Ministries Center and handles the day-to-day pension plan administration of the Free Methodist Church – USA.*

#### Address:

P.O. Box 51710  
Indianapolis, IN 46251

#### Phone:

317-244-3660  
Toll Free: 800-342-5531

#### Fax:

317-244-1503

#### Website:

[hr.fmcusa.org](http://hr.fmcusa.org)

## STAFF

#### Willadean Duncan

Director of Human Resources

#### Debbie Jenkins

Human Resources Assistant

#### Lori Sherwood

Human Resources Assistant

## Death Notification: of a Participant or Beneficiary

We are sensitive to the many demands and emotions in a family when a person dies. During this time there are sometimes endless phone calls that have to be made. It is very important to notify the Human Resources office in the event of death of any participants in the pension plan. This also includes the death of a spouse.

There also have been times when our office is not informed until several months after the person passed. Families, who are our main source of contact, also notify us when their family member dies.

There also have been times our office has not been notified and the individual has passed on several months prior to when we actually are told. This can result in the deceased person's pension contribution billing continuing for the church with adjustments made



sometime later. For a retiree who receives a monthly benefit, this results in an overpayment that has to be returned depending on the amount overpaid and if it goes to a beneficiary.

We want to provide the best assistance during these times to help the family and assure benefits are applied correctly. Be sure to add our Human Resources office number and/or email to your contact list for your family to know who to call. Our email is [hrdept@fmcusa.org](mailto:hrdept@fmcusa.org) and our phone number is 317-244-3660 ext. 213.

## Pension plan form using the nyhart portal

When completing pension forms, we are now only using our Nyhart Benefit Portal for processing. The following instructions explain how to do this.

Navigate to [portal.nyhart.com/](http://portal.nyhart.com/) **FreeMethodist/Status**. Enter your Username and Password to login (Username is provided on your annual participant statement.) Select the Status Option in the drop-down menu that matches your reason for your Change of Status. Next, fill out any additional required information, such as the effective date or compensation. Click "Submit."

**Pension Change of Status**

The purpose of this form is to notify the Human Resources office of any changes in your status. These changes include: first-time pastoral appointment, church or conference transfer, discontinued appointment, retirement, leave of absence, housing and/or salary changes, and marital status changes.

You will receive a confirmation e-mail after you submit your request.

Pick a status option:

Status Option:  
First-time Pastoral appointment

First-time Pastoral appointment

Effective Date:  
1/01/2019

Salary (total of cash salary, non-sec. retrib., 402a, section 125 medical). Please list even if it has not changed:  
Salary amount:  
40,000

This salary amount is per:  
Year

Housing (total of housing allowance - or: fair rental value - utilities). Please list even if it has not changed:  
Housing amount:  
20,000

This housing allowance amount is per:  
Month

**SUBMIT**

*A pop-up will alert you that your request has been submitted. You will receive confirmation of your submittal at the email address on file, and again once the change has been approved.*

- The Change of Status form should not be used for pension enrollments.
- The Enrollment form is for new enrollees. If a participant does not have any changes, no form is necessary to be completed.
- The Change of Status form is used for any changes that may occur in compensation, church locations, transfers, ordination, addresses, terminations, retirements, marriage, etc.

Providing these forms helps us keep your pension employment history up to date. For help with this form, or any other pension questions you may have, please contact the Human Resources Department at [hrdept@fmcusa.org](mailto:hrdept@fmcusa.org) or 317-244-3660.



## Housing Allowance for Clergy Retirees

**Did you know** that if you are an ordained retiree drawing a pension benefit you are eligible to classify your monthly retirement earnings as housing? Based on the Internal Revenue Code Section 107, in the case of a minister of the gospel, gross income does not include the housing allowance paid to the minister as part of the minister's compensation to the extent it is used to provide a home.

By action of the Benefits Committee and Board of Administration at each fall meeting, all eligible retired ministers drawing a pension benefit may designate up to 100 percent as a housing allowance. It is the minister's responsibility to determine the appropriate amount of housing allowance.

For our pension plan benefits clergy housing does not have to be requested each year. Once a retiree completes the Retiree Housing Allowance form, the amount claimed will continue until a new form is submitted. When changing a housing allowance remember the change covers only the months moving forward.

When a housing amount is designated, the annual 1099-R tax form will show the gross amount of income in box 1 and the taxable amount of income in box 2. If 100% of the income has been designated housing allowance, box 2 will not have an amount.

Contact the Human Resources Office if you would like to request a housing form. This form is also available on our website <http://hr.fmcusa.org> under Forms.

### How early can participants retire?

Our plan considers normal retirement at age 67. Participants in our plan can retire as early as age 62 if they have ten or more years of service completed.

If a participant is paid by an early retirement benefit, they cannot continue to be employed by the denomination.

### Will a participant's retirement benefit really be a lot less if they take an early retirement benefit?

Early retirement does result in a lower monthly benefit, but the benefit amount is spread out covering a longer period of time. The early retirement benefit will be equal to the accrued benefit at age 67 reduced by 1/180 for each month the benefit begins prior to age 67. The amount less depends how early one takes the benefit and how the average salary numbers apply as to whether it would be considerably less.

### How does a participant know if taking an early retirement benefit is right for them?

Each individual must answer this question based on his or her specific income needs. The first thing to do is to request an early and normal retirement estimate from the Human Resources office by providing the dates you might want to start your benefit. These estimates will show the different monthly benefit option dollar amounts based on the dates you provide. At that point the amounts can be compared to a later retirement date with a higher payment, or a lesser amount paid at an earlier date. You can also determine how much would be paid overall by taking the benefit early over the period of time until the normal retirement date.

## Clergy And Church Tax Financial Guides – Electronic Editions

Do you find yourself needing a resource on clergy taxes or in handling local church finances? The following two resources are available on our website and have been very helpful throughout the years. They are updated annually. <http://hr.fmcusa.org/resources>





FORWARDING SERVICE REQUESTED

Free Methodist Church - USA  
Human Resources Department  
P. O. Box 51710  
Indianapolis, IN 46251



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methodist**  
CHURCH USA

*let there be light*