

To: FEC Churches and Church Treasurers
From: E. Nathan Zimmerman | Director of Finance & Benefits
Date: September 28, 2023
Subject: 2024 Contribution Changes for the FEC 401k Retirement Savings Plan

(REVIEW) 2023 Employee and Employer Contribution Changes

Beginning January 1, 2023, the following contribution changes to the RSP for both the employee and employer became effective:

Employer (Church) Contribution: *The employer is responsible for contributing \$3,600 per year (or \$300 per month).*

Employee Contribution: *The first \$1,464 contributed by the employee is eligible for an FEC match.*

FEC Match: *Is \$0.50 on every \$1.00 up to \$732 per year (\$61 per month).*

2024 Employee and Employer Contribution Changes

Beginning January 1, 2024, the following contribution changes to the RSP for both the employee and employer will become effective:

Employer (Church) Contribution: The employer will be responsible for contributing \$3,744 per year (or \$312 per month).

Employee Contribution: The first \$1,512 contributed by the employee will be eligible for an FEC match.

FEC Match: Is \$0.50 on every \$1.00 up to \$756 per year (\$63 per month).

Explanation of Employee Deferral Contributions Eligible for FEC Match

Employee deferral contributions eligible for FEC match will increase up to **\$1,512** (in 2024) and be matched at **\$756 per year** (50% of the deferral). In other words, FEC will match 50% of the first **\$1,512** of individual contribution (typically sent as \$126 per month), which would amount to **\$756 annual match** by FEC (typically \$63 per month).

If an employee contribution is below the \$126 per month deferred salary, it may be prudent to make them aware of the additional funds available because of the FEC Match.