

MINISTERS AND MISSIONARIES BENEFIT BOARD (MMBB)

Report of Special Director – Matt Toupin

Greetings to the members of the Board of General Ministries,

From October 28th-30th, 2024, the Board of Managers of The Ministers and Missionaries Benefit Board (MMBB) held its fall meeting, at MMBB headquarters in New York City. As the recently-appointed Special Director to MMBB serving on behalf of the Board of General Ministries, this was my second time participating in an MMBB meeting.

On the Board of Managers, I serve as a member of the Benefits Committee. At this meeting, I was appointed to also serve as a member of the Audit Committee starting in 2025, and as Vice Chair of the Finance Committee, also starting in 2025.

After the various Committees met, the full Board of Managers met for its regular meeting, taking care of routine business. Committee reports were approved, including updates from BDO USA, P.C. for auditing services, brought by the Audit Committee, and the actuary report of Mercer, MMBB's actuary, brought by the Benefits Committee.

The meeting included an annual report provided by MMBB CEO, Louis Barbarin, including how the organization is progressing with regard to Enterprise Risk Management objectives. Throughout the report, he gave space for senior staff (the Cabinet) to present updates on how their functional areas are progressing with regard to focus areas given to them by the Board of Managers during the Board retreat in May of 2024. It was clear that MMBB staff is working hard to follow the directives given to them by the Board, under the leadership of the CEO, and that they are doing everything necessary for all MMBB members as they seek to be faithful to MMBB's enduring mission of "promoting interest in the better maintenance of the ministry."

At the recommendation of the Benefits Committee, the Board adopted an annuity payout rate of \$77.42 for 2025. This is up \$4.33 or 5.9% from the 2024 annuity payout rate of \$73.09. This increase will be welcome good news for annuitants, who have not seen an increase like this for many years. The increase is due to the fact that the annuity fund experienced exceptionally positive returns (9.0%)¹ for the year-long period ending September 30, 2024. MMBB policy dictates that if returns on the annuity fund are more than 4% in a given year, 50% of the gains go to the subsequent year's payout rate and 50% goes back to the reserve (adjusted for inflation, CPI-U being 2.4% for the period in question). This year, a total of \$36,627,051 will be added to the reserve, for the purpose of helping protect annuitants from potential economic and other actuarial factors.

At the recommendation of the Governance Committee, 4 outgoing members of the Board of Managers were recognized for their many years of faithful service, including: Peggy Carr, Danny Cortés, Clifford Johnson, and Stephen King. The Governance Committee also nominated 4 new members of the Board of Managers, including Andrew Johnson, David Latimore, Amanda Tyler, and our own fellow BGM Representative from ABCOFLASH, Brandon Bouldin. These members will begin their service in 2025. Moreover, officers for 2025 were affirmed, including Gywnn Perlich (President), Annie Marie LeBarbour (1st Vice President), Darrel Morf (2nd Vice President), Louis Barbarin (Chief Executive Officer), Hyde Hsu (Chief Investment Officer), Neal Berkowitz (CFO and Treasurer), and Denise Peart (Corporate Secretary).

¹ Net of the 4% advanced earnings assumption and actuarial/valuation adjustments

Other notable developments discussed at the meeting included:

- The introduction of an “employer portal” in 2025, projected for the 2nd or 3rd quarter. The employer portal will serve as a very helpful tool for MMBB’s smaller and medium-sized employers and will also prove to be an essential element for MMBB to be able to bring in new client churches and organizations, especially those considered to be “large employers.”
- 2025 will witness continued investments in information technology and artificial intelligence, for a variety of reasons, including cybersecurity.
- Later this year, there will be a new course added to the online e-learning curriculum. The course, "Approaching Retirement" is geared for plan participants nearing retirement (within 5-10 years or who are already retired).

I am very greatly honored by the Board of General Ministries for the opportunity to serve as your Special Director for MMBB. As a long-time American Baptist and participant in MMBB’s benefit plans myself, I deeply value the importance and success of this organization in (and beyond) our denominational family and look forward to serving as a liaison between the BGM and MMBB during my term of service.

Warm regards,

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Matt Alan Toupin
BGM Rep., ABC Central Pacific Coast