



IOWA ANNUAL CONFERENCE



TREASURY NOTES

July 2011

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Annual Conference Report

The June session of the Annual Conference has now ended and you have probably read reports of the actions of the conference. Two areas of particular interest for treasurers.

First, the Conference approved, without any amendments, a \$32,486,567 budget for 2012. Of that amount \$15,624,566 is apportionments. This is a decrease of 1.97% from the previous year. Over the last four years the apportionment amount of our shared ministry has decreased by 4.42%.

The apportionment analysis is as follows:

General Church Apportionments

2011	\$2,681,956
2012	\$2,816,548

This is a 5.0% increase

Conference Ministries

2011	\$10,117,158
2012	\$9,419,723

This is a 6.9% decrease

Conference Mission

2011	\$3,139,160
2012	\$3,388,295

This is a 7.9% increase

It is important to note, just because the amount to be apportioned decreases does not mean that every church will experience a decrease in their share of the apportionments. The amount apportioned to every church is always a ratio of what that church's income is in relationship to every other church's income in the Conference.

For example, the operating income for all the churches is \$65,000,000, and Anywhere UMC reports an income of \$100,000. Anywhere UMC ratio of that income is 0.1538%. The apportionments are \$15,000,000. As a result, Anywhere UMC's share of the apportionment is \$2,307. The next year Anywhere UMC's income remains the same but other congregations report decreases so the total income for all churches is now \$60,000,000. Anywhere's ratio is now 0.1666%. The apportionments stay the same at \$15,000,000 but now Anywhere UMC's

share of the apportionments is \$2,499. Thus, it is possible for a congregation to reduce their income but if other congregations reduce by a larger percentage, apportionments will still increase. It could be the same for increases in income.

Second, the direct bill for clergy pension was reduced by 2%. Thus, for 2012 the direct bill for pensions will be 15% of the plan compensation for the pastor rather than the 17% that it is for 2011.

No changes were made in the active clergy health insurance plan or the retiree medical benefit plan. The rates for the active plan will be set at the August Conference Board of Pensions meeting.

IRS Increase Mileage Rate

As of July 1, 2011, the standard mileage rate for all business miles increased by 4.5 cents. The rate is changed to 55.5 per mile. Also, the rates for the last six months of the year for medical or moving increased from 19 cents per mile to 23.5 per mile. The charitable mileage rate which is set by congress and not the IRS remains the same at 14 cents per mile.

Some Statistical Information

Let me share some statistical information that you may find interesting regarding the year 2010. The congregations of Iowa spent a total of:

\$5,593,324 was paid on principle and interest for loans, a 19.56% increase from the previous year

\$28,273,183 was the debt secured by church property, a 1.97% decrease from 2009

\$8,478,657 was spent for capital improvements a 29.74% decrease from the previous year

\$2,832,450 was spent for insurance property, liability and workers' compensation, a 3.17% increase from 2009

\$5,587,512 was the cost of utilities, a 2.15% decrease from the previous year

Statistical Reports

In May, each church received a table of the statistical information provided to the conference for

2010. If you have not reviewed them, please do so. If corrections need to be made, note them on the margin of the report and send them to the Conference office. Our office will make the corrections but they must be in our office before August 1. After that date, the apportionment calculations will be made. Once the apportionments have been calculated we will still make the corrections but will not recalculate the 2012 apportionments. We are required by church law to apportion the total amount approved by the Annual Conference, and so, any one congregation's reduction or increase in apportionments by recalculations would require all other congregations' apportionments to be recalculated as well.

EFT Update

Churches who participate in the Electronic Funds Transfer (EFT) Process for direct bill payments, will note that a credit entry on your Church Direct Bill Account in the amount of **(\$90.00)** will be made in July. This represents six months of EFT discount, in the amount of (\$15.00) per month for the remainder of **2011**. We have experienced some challenges with our billing system as it relates to EFT discounts, in particular for those churches who share appointments. To eliminate any further potential monthly billing issues we are manually applying this discount to your account effective 7/1/2011. If you have any questions related to the EFT discount, or if you wish to sign up for this process (you will save \$180.00 per year!) please call Alyssa Bergman at (515) 974-8930.

Delay in Direct Billing

Due to the Fourth of July Holiday and the number of appointment changes needing to be processed, the July 2011 Direct Billing will be mailed out to churches on July 8, 2011. For those of you participating in the EFT payment process please note that your EFT will process on the July 18, 2011 rather than on the 11th. A huge thank you goes out the District Office staff, Superintendents and Administrative Secretaries! They play a significant role in helping to gather all the data for appointment changes.

E-Service Remittances

We have had several churches that have elected to start submitting their apportionments and other giving through our on-line service. If you have a computer and internet access, you can get signed up today! Many Treasurers who have used this website have commented on how easy it is to use. Signing up is very easy as well. All you have to do is fill out a one page form and return it to our office.

If you would like to sign up or simply receive more information about this service, you may contact Alyssa Bergman at (515) 974-8930 or alyssa.bergman@iaumc.org.

May and June Receipts

A big thank you for helping make our summer receipts good. For May we received 28.64% of our apportionment receipts. This is a 0.51% more than in 2010. Also, for the year we have received \$432,101 in prior year apportionments paid. The gifts given for the ministries of the church are appreciated since during our summer months we experience higher costs with moving of clergy and the camping program in full operations.

	2010	4 YR AVG	2011
General Church	890,961 34.22%	810,079 32.18%	953,977 35.57%
Conference Ministries	2,567,478 25.10%	2,652,426 26.03%	2,512,895 24.84%
Conference Missions	809,605 23.70%	752,655 23.43%	756,095 24.09%
Total Apportionments	4,268,044 26.26%	4,215,160 26.48%	4,222,968 26.50%

June apportionment receipts, including the current year receipts shown on the graph below and prior year receipts is 34.21% for 2011. This is 0.43% percent higher than at this same time last year. Again, many thanks for all of your dedicated service as together in our local communities, at the District and Conference level and in the nationwide and world church as we make Christ real to all who have need to experience the saving grace of God. Thank you!

	2010	4 YR AVG	2011
General Church	1,067,425 40.99%	958,990 38.10%	1,113,679 41.52%
Conference Ministries	3,144,925 30.74%	3,234,067 31.74%	3,100,713 30.65%
Conference Missions	965,544 28.26%	903,346 28.12%	911,958 29.05%
Total Apportionments	5,177,894 31.86%	5,096,403 32.01%	5,126,350 32.16%

Safety First

Summer is a good time of year to check your fire alarm system or smoke detectors. Also emergency lights should be tested to ensure they will function in the event of a power failure.

If this time of year your congregation is serving food it is extremely important to make sure that perishables goods are properly refrigerated or cooled.

Do your ushers know where the emergency exits are located and have they been instructed on emergency evacuation procedures?