



IOWA ANNUAL CONFERENCE



TREASURY NOTES

August 2008

Publisher/Editor: Dr. Charles W. Smith; Telephone (515) 283-1991; www.iaumc.org

New Iowa Wage Law

On July 1 of this year a change in the Iowa wage law went into effect. The law now reads, (change will be in bold) "The wages paid under subsection 1 shall be paid at the employee's normal place of employment during normal employment hours or at a place and hour mutually agreed upon by the employer and employee, or the employee may elect to have the wages sent for direct deposit, on or by the regular payday of the employee, into a financial institution designated by the employee. **Upon written request by the employee, wages due may be sent to the employee by mail. The employer shall maintain a copy of the request for as long as it is effective and for at least two years thereafter.**"

The second change in the law states that, "If the employer fails to **pay** an employee's wages on or by the regular payday in accordance with this subsection, the employer is liable for the amount of any overdraft charge if the overdraft is created on the employee's account because of the employer's failure to **pay** the wages on or by the regular payday."

I can only speculate that the problem leading to this change may have been employers sending paychecks by mail to delay the debit on their account and thus get some "float" on the payroll checks. Or, maybe there were problems with wage checks getting lost or delayed in the mail. The reason for the change doesn't really matter. The previous version of the law gave employers the option to give paychecks in person, mail or direct deposit. The new law only allows the employer to pay in person or by direct deposit UNLESS the employee provides a written request to have their wages delivered by mail. So, if the tradition in a local church has been to mail checks to a pastor or employee, they should obtain a written, dated request from the pastor or employee that they desire to have their wage check mailed to them. Also, note that the employer is required to keep this

written request as part of the employment records, "for as long as it is effective and for at least two years thereafter."

It should also be noted that if the pastor or employee is not paid on the date agreed upon and this causes the pastor or employee's checking account to have an overdraft balance, the church would be responsible to pay the overdraft costs. Thus, if for some reason a pay check may be delayed, it would be appropriate to make sure that the delay will not cause an overdraft in the pastor or employee's account.

New Health Insurance Law Changes Age of Eligibility for Dependents:

A recent change to Iowa health insurance law changes the length of time a single adult may be covered under their parent's insurance plan. In the past, the age was 19 but as of July that has changed to age 25. The person must not have coverage for themselves through an employer, and must be single. However, they may remain on their parents plan after age 25 if they are a full-time student or disabled.

Reinstating an Eligible Adult Child

For children's coverage terminated May 1, 2008 or after, due to the child reaching the maximum age of 19 or no longer having full-time student status, you may wish to reinstate your eligible adult child on your health care coverage, it is important that you make these arrangements by August 15, 2008. *(The window for re-enrollment ends at that time.)* Please contact Betty Palmer at 515-974-8921 or email her at betty.palmer@iaumc.org.

Because there may be tax consequences involved with continuing to cover your adult child on your health care coverage, you should consult your tax advisor with related tax questions. Wellmark nor our offices are able to provide tax or legal advice.

Decisions on 2009 Health Insurance:

Please be thinking about the health insurance plan choice for the year 2009. Materials will be mailed

the middle of September for you to change your plan if you wish to do so during the open enrollment period in November.

Moving Season

As this year's clergy moving season comes to an end, we ask for your cooperation in providing the treasurer's office with information about your move for this year. If you had a good or bad experience with your mover, I would appreciate hearing from you. Each year we meet with representatives of the movers group and give them feedback.

Also, if you had damage during your move, please report it to the moving company and to our office. The Conference carries the insurance for the moves. An estimate of the repair or replacement should be submitted to our office. The Conference will pay the \$500 deductible and the rest should be paid by the mover. However, it is important to do this ASAP in order to be clear that it was a moving error and not something that occurred after the move. Thank you for your cooperation.

Labor Day Closing

Just a reminder that the Conference Offices will be closed Monday, September 1 for the Labor Day holiday.

Some Reminders

The 2008 Iowa Annual Conference Journal will go to the printers the week of August 18 and should be ready for mailing by September.

The 2009 Apportionment calculations will be mailed to each congregation by the end of August. The information used to calculate the apportionments is what was provided on the Statistical Tables.

2009 Health Insurance rates are as follows:

Appointment Fee is \$764 per month or \$9,168 per year. For those on the High Deductible Health Plan, the rate for single coverage is \$0 per month and for a family \$349 per month or \$4,188 per year. For those on the traditional PPO plan, the rate for single is \$123 per month or \$1,476 per year and for the family is \$465 per month or \$5,580 per year.

Housing Exclusion/Allowance

Occasionally our office receives questions regarding the clergy housing exclusions. The

housing exclusion offers a benefit to clergy at no cost to the congregations. The section 107 of the Internal Revenue Code is brief and states that in the case of a minister of the gospel, gross income does not include the rental value of a home furnished as part of compensation, the actual cost of living in the home, or amount established by action of the charge conference as housing exclusion. Even if the clergy is given an allowance and is not living in a parsonage provided by the church, the exclusion is possible. For clergy living in their own homes, the amount established as exclusion can be greater than the allowance because in most instances the cost of living in a home is greater than the allowance provided.

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 Jeremy Jolly at (515) 974-8923 or jeremy.jolly@iaumc.org

July Receipts

	2007	4YR AVG	2008
General Church	806,273 34.86%	793,075 34.51%	1,194,176 49.09%
Conference Ministries	4,085,155 40.37%	3,938,301 39.92%	3,872,270 38.30%
Conference Missions	1,001,938 33.74%	942,701 33.33%	1,100,709 35.13%
Total Apportionments	5,893,366 38.27%	5,674,077 37.85%	6,167,155 39.34%

The ministries of the Iowa Conference again thank you for the faithful way you and your congregations have paid apportionments for 2008. It has been extremely difficult for some congregations and yet many have remained faithful to the connectional covenant. Others have intentionally paid some apportionments early in order to help the cash flow knowing that some congregations need relief. Thank you again for your faithfulness.