



IOWA ANNUAL CONFERENCE



TREASURY NOTES

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What If?

It seems that one cannot pick up a newspaper or listen to a television news cast without hearing something bad about this or some other country's current economy. However, whatever the national news, the effects of the economic downturn only becomes real when it becomes personal.

In Iowa it has become personal with the layoffs of workers in many types of positions. To use a rather old fashion term white and blue collar employees are both affected. The second complicating factor is the severe storms and floods that affected so many in 2008 and so much rebuilding that needs to be done.

With this mind, I have been asked by many, "How is the Annual Conference preparing for whatever may happen to the Conference finances in 2009?" Every year the Treasurer's office monitors the cash flow of the Conference on a continual basis; however, if the available cash is not sufficient to pay all of the Conference bills, the Conference Treasurer is authorized by the Conference Council on Finance and Administration (CFA) to remit payments in the following order.

First, General Church Apportionments in the amount received and treated as pass through obligations just the same as other designated gifts that come into the Conference Office. At the end of the year adjustments may need to be made to reach the 100% goal of paying apportionments to the General Church that by Book of Discipline are assigned to local congregations through an apportionment formula.

Second, the Conference Treasurer is authorized to allocate the available cash according to these priorities:

1. Mortgages, lease payments, salaries and benefits. (approximately \$380,000 per month)
2. Occupancy Expense: such as, telephone, utilities etc. (approximately \$37,000 per month)
3. Grants to agencies with equitable compensation being the first priority. (approximately \$12,000 per month for

equitable compensation and \$151,000 for all others).

When these amounts are totaled, the Annual Conference requires \$580,000 per month to meet these needs. The Annual Conference has other expenses that it pays monthly such as reimbursement for staff travel and meetings, postage, basic supplies and normal maintenance just to name a few. However, the items listed above become the priority for the Conference if cash flow becomes an issue. In January of 2009, the income for the conference was a little more than \$900,000. The income over expenses will help to provide a cushion for some months later when income is less than expenses.

Third, if cash flow becomes a problem, all conference agencies will be asked to convey to the Treasurer's office how they prefer the grants to be allocated. For example; each receiving agency will be given a ratio of the available amount. They will then tell the Treasurer's office how they want that amount to be allocated. Some programs because of their nature may need to receive a higher percentage than others. Those decisions remain with the agency that authorized the grant.

Fourth, until the income to the Annual Conference is known for 2009, no purchases for new equipment or signing of any long-term lease will occur. All Conference personnel have been asked to in as much as possible monitor spending.

One important note, most of the money the Annual Conference receives each month is pass-through money. That means it is money sent from local congregations for specific purposes and the Treasurer's office collects the money, bundles it with money from other congregations for the same purpose, and sends it to the mission or ministry for which it is designated. Examples would be Heifer Project, the United Methodist Committee on Relief or Clergy Pensions and Health Insurance premiums. Thus, most of the money the Conference receives does not stay in the Treasurer's office or in a bank in Des Moines; it travels to the far reaches of the globe supporting the ministry of Christ by making a difference in the lives of people in Iowa, the United States and the World. This money is not affected by any contingency plan for use of other funds. Each month it will continue to be remitted to the proper locations.

Fifth, at the end of the each quarter apportionment receipts will be monitored. If receipts are 3% less than the previous year, the President of CFA will convene a meeting to determine further actions which could include revision of 2009 spending plans for each agency. If this becomes necessary, everything that is supported by Annual Conference revenue from local congregations and investments will be open to review and revision.

Our first hope and prayer is that none of these measures need to be implemented on the Conference level; yet, it is always better to be prepared than to wait for something to happen.

Also, I have heard that many local congregations are also making contingency plans. This seems to be good planning. It is better to be prepared with a plan and not need it, than to need a plan and not have it.

One other comment, in these economic times I like to remember the story found in Exodus Chapter 16. If you remember the story, the people of Israel are now in the desert and are complaining that they are starving and need bread. God tells Moses that it is going to rain bread from heaven, and each day the people are to go out and gather enough for that day. In their time of food scarcity God provided for them and each day they had enough. I now have been a part of the Annual Conference and a member of a local congregation for a number of economic downturns. *One thing I am absolutely sure about is that when we trust in God at the end of the day we will have enough. Enough to do the ministry that each local congregation is called to do and enough for the Annual Conference to do the ministry that it also is expected to do in the name of the living and risen Christ.*

January and February Receipts

The chart below shows a comparison of January 2009 receipts with the four-year average and 2008. The receipts are higher than the four-year average and lower than in 2008. Along with these receipts your conference office also received \$374,530 in prior-year apportionments.

	2008	4YR AVG	2009
General Church	150,537 6.19%	90,719 3.87%	123,576 4.55%
Conference Ministries	344,656 3.41%	329,824 3.31%	308,073 2.99%
Conference Missions	113,964 3.64%	83,399 2.89%	100,842 3.03%
Total Apportionments	609,157 3.89%	503,941 3.31%	532,492 3.26%

The chart below shows a comparison for our status as of the end of February. Along with the current year's receipts, your Conference office also received an additional \$116,273 in prior-year apportionments. This makes a total of \$490,803 in prior-year apportionments and that is more than was received for the entire 2008 year.

	2008	4YR AVG	2009
General Church	346,155 14.23%	228,522 9.74%	355,425 13.07%
Conference Ministries	831,410 8.22%	880,771 8.83%	778,638 7.56%
Conference Missions	267,413 8.53%	216,120 7.49%	245,583 7.38%
Total Apportionments	1,444,978 9.22%	1,325,413 8.72%	1,379,646 8.44%

Thank you for sharing the resources God has given you with the ministry beyond the local congregation. We, as individuals, are called to give to our local congregations according to our blessings received. As we begin what may be a very interesting year with church finances, it is important to remember that we are all together in ministry to God and Christ. We may serve in different ways but we all serve a risen Christ. Thank you as we share in God's important work in the world.

The World Service Fund Apportionment

The World Service Fund is the heart of our denomination-wide ministry, underwriting Christian mission around the world. Through this fund, United Methodists

- undergird a network of missionaries
- strengthen evangelism efforts by resources to congregations
- enrich congregational life with worship and stewardship resources
- continue 200 years of commitment to quality college and graduate education
- provide exposure of our denomination in the mass media and make new communication technologies accessible to the church
- express our commitment to peace and justice for all people regardless of race, ethnicity, gender or handicapping condition.

Used Computers for Sale

The Iowa Annual Conference of the United Methodist church has available for purchase used Dell and HP desktop computers. These are available for \$100 each to United Methodist churches and organizations. Please note that we are not selling any notebook computers. For more information, view the online classified at: http://www.iaumc.org/classifieds_detail.asp?TableName=oClassifieds_JFJX7N&PKValue=146.