



IOWA ANNUAL CONFERENCE



TREASURY NOTES

January 2010

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Contract Worker

So often during this time of year our office is asked if a person can be treated as a contract worker rather than an employee of a local church. The answer is simply "it depends."

Sometimes the reason for wanting the person to be treated as a contract worker is because the church does not want to be responsible for withholding income or FICA tax, and the church does want to pay the employer's share of FICA. Also, a 1099 is completed rather than a W-2.

For a person to be considered a contract worker they must meet the following criteria:

- The worker determines when, where and how to complete the assigned work
- The worker can hire and pay others to do the assigned work
- The worker establishes their own hours of work based on fulfilling a contract obligation
- The worker has a signed contract with the church outlining responsibilities
- The worker may also perform work for other organizations and or general public
- The worker establishes their own pattern of work and the church does not require certain hours of work at specified times
- The worker is not reimbursed for business expense but can charge for expenses as outlined in a contract
- The worker furnishes all of their own tools, equipment and materials
- The church does not retain the right to "fire" a contractor—termination of the relationship is governed by the terms of the contract
- The worker supplies to the church, a certificate of insurance that includes worker's compensation and well as personally liability insurance
- The worker, who is providing a service to the church charges and collects sales tax for the service rendered and of course remits the sales tax to the state of Iowa

If all of these criteria are met the person may be considered a contract worker and not an employee of the congregation. If all the criteria are not met then the person is an employee of the church.

Remittance Forms

This year instead of sending out the three-part form for reporting remittances, the conference is sending to each local treasurer one copy of the remittance forms. We ask that you copy this form for future use. Of course, you may also find the form on our website in the finance and administration section.

Pay Online

Now may be a good time for your congregation to pay apportionments and advance specials online if you are not already using that service. Jeremy Jolly of our staff will help to set up the payments. You may contact him at Jeremy.Jolly@iaumc.org or 515-974-8923. The on-line payments will avoid the cost of postage and check writing. Many congregations are using this method and have reported how easy it is to use.

Retiree Medical Costs

The 2010 rates for the Medicare Supplement insurance for retirees is \$188.20 per month per contract. The conference supplements this insurance by paying \$100 per month thus, the retirees on this insurance will be billed \$88.20 per month per contract. Plus you must provide our own part D coverage.

If you have the Medicare Advantage plan, the cost is \$273.93 per month per contract. The conference supplements this insurance by paying \$100 per month per contract. Therefore, the retirees will be billed \$173.93 per contract per month.

If you do not have your premiums withheld from your pension check you may want to begin this convenient service now. If interested contact Betty Palmer at Betty.Palmer@iaumc.org or 515-974-8921. If they are withheld from the pension check, you will not receive a bill or have to write a check to cover the cost. This will save postage as well as paper for yourself and the Conference.

Making Checks Payable

When you are sending checks for the Direct Bill of Pensions and Health Insurance, make them payable to the Board of Pensions, Inc. at PO Box 8086, Des Moines, IA 50301-8086. Our pension's accounts are with Banker's Trust. Also, when making these payments please return the stub from the invoice; this helps the conference place the money in the correct accounts.

Payment for apportionments and other giving should be made payable to the Iowa Annual Conference and mailed in the green envelope which is addressed Church Remittance, Iowa Annual Conference United Methodist Church PO Box 4564, Des Moines, IA 50306-4564. First American Bank is the bank that holds the Conference account. Again, it is important to check each month's records for accuracy.

Where to Send – HSA, HRA AND FSA PAYMENTS

All contributions to these plans that are sent by the treasurer on behalf of the clergy and lay employers should be made payable to the Iowa Annual Conference and mailed to PO Box 1422, Des Moines, Iowa 50305. Kabel Business Systems of Des Moines manages these accounts for the Conference. Kabel will not send a monthly bill. The staff person who uses these accounts must inform the local church treasurer to withhold the money from the payroll check and forward to this address.

Office Closes

All Conference offices will be closed on Monday January 18, 2010 in recognition of Martin Luther King Jr. Day. Also, the Conference office is closed when the Des Moines School System closes schools because of snow or ice. District offices will close when the school district in which they reside closes school because of snow or ice.

How do I locate Advance Special Numbers

When collecting and then sending money to the conference it is important to include the advance number and name of the program that you wish to support. A listing of all of the national advance projects along with their numbers can be found at <http://new.ghgm-umc.org/Advance/projects/search/>.

A listing of the conference advance specials along with their numbers can be found in the Rainbow Covenant book which is downloadable from the Conference website. The link to download the book can be found at <http://www.iaumc.org/rainbow>.

2009 Statistical Information

You may access the year end statistical forms by going to the web site www.iaumc.org/stats. During the first of January the pastor and treasurer of each church should have received the letter giving the password information. If you need paper copies of the forms contact Cynthia Davis the address is Cynthia.Davis@iaumc.org or phone 515-974-8920.

2010 IRS Mileage Rate

The IRS has set the mileage rate at 0.50 per mile for business purposes for 2010. This is a 5 cent per mile decrease from the year 2009.

2010 Church Officer Forms Deadline

All church officer forms must be turned in to Jill Stanton by the end of January. Thank you for your cooperation.

November Receipts

The chart showing the receipts for November is listed below. Even though the percentage of receipts is less than previous years the actual dollar amount is larger. To date in 2009 we have received \$615,412 in prior apportionment payments compared to \$439,200 in the year 2008. Thus, our total receipts for 2009 are less than 1% below last year. These good numbers can only come because of your faithfulness in supporting the ministries of our shared apportionments. Thank you for helping the church carryout its mission to make disciples and transform the world.

	2008	4 YR AVG	2009
General Church	1,750,894 71.97%	1,434,274 61.16%	1,862,769 68.52%
Conference Ministries	6,436,575 63.66%	6,443,953 64.59%	6,362,358 61.77%
Conference Missions	1,805,572 57.62%	1,667,348 57.81%	1,860,928 55.90%
Total Apportionments	9,993,041 63.74%	9,545,575 62.77%	10,086,055 61.70%

December Receipts

With all of the negative talk about the economy, I couldn't help but wonder and worry about how the Annual Conference would end the year 2009 with apportionments. The result is very positive, and for me is one more reminder God really does respond to prayer. Our percentage receipts for current year apportionments is 0.61% less than in 2008. The dollar income however is \$441,172 higher than the previous year. When we include prior year apportionments paid we did receive 83.78% and that is 0.43% greater than last year. The missions and ministries that receive this support I know appreciate the effort that all of you made in meeting our shared ministry. God has blessed each of us and will continue to bless us as we share with others what we have so graciously been given. Thank you for the continued support.

	2008	4 YR AVG	2009
General Church	2,084,709 85.69%	1,835,038 78.25%	2,271,040 83.54%
Conference Ministries	8,192,167 81.03%	8,225,680 82.45%	8,248,775 80.09%
Conference Missions	2,350,369 75.01%	2,265,683 78.56%	2,548,602 76.56%
Total Apportionments	12,627,245 80.55%	12,326,401 81.06%	13,068,417 79.94%

Great is Thy Faithfulness