

NEWS FROM THE BUSINESS MANAGER
Iowa District West Congregation's Mission Receipts



<u>For the month ending November 2009</u>	
Anticipated Amount	\$154,167
Actual Receipts	\$127,940
<u>Fiscal Year-to-date receipts</u>	
Anticipated Amount	\$1,541,667
Actual Receipts	\$1,447,436
Over (under) anticipated amount	\$ (94,230)
<u>Use of Mission Receipts</u>	
Remitted to Synod (42%)	\$ 607,924
Balance for District programs/operations	\$ 839,512
Total Receipts	\$1,447,436
<u>Mission Receipts Compared With Last Year</u>	
Year-to-date 2009	\$1,447,436
Year-to-date 2008	<u>\$1,526,295</u>
Over (under) last year	\$ (78,859)

Lutheran Church Extension Fund

The mission of Lutheran Church Extension Fund is to provide opportunity to make funds and services available in support of the Great Commission through The Lutheran Church - Missouri Synod.

As of November 2009, 1033 investments in Iowa District West totaled \$29,217,618 Those investments are providing opportunity for 58 loans totaling \$12,147,872 plus commitments totaling nearly \$990,000. LCEF puts invested dollars to work in mission and ministry right here in Iowa District West.

If you are interested in investing in the ministry of LCEF or if you have questions on the loans and services provided to our congregations, please contact Carole White. **Come, Join the Ministry!**



**MAKING A
DIFFERENCE
IN THINGS
ETERNAL**



Pastors and Church Secretaries: How about including a brief note about LCEF in your church newsletter or bulletin? Please use the following short paragraph—thank you!

Welcome the New Year with LCEF!

“Therefore, if anyone is in Christ, he is a new creation; the old has gone, the new has come!”(2 Cor. 5:17) *Happy New Year from LCEF!* The first days of 2010 are a good time to look at new investments. As a ministry serving the Synod, LCEF offers individuals various investment opportunities; these investments in turn support the Church through affordable loan funding. Visit lcef.org or contact Carole White 877.439.5233, carole.white@lcef.org for more information.

Monthly Mission Minute / Stewardship Spark

Did you know that your congregational mission dollars support the District budget in a variety of missions and programs? Missionary, Rev. Scott Jensen, started the new mission at Our Savior Lutheran Church, Sheldon in 2006 and it continues to grow. The District is pleased to partner with this mission; so far in 2009, over \$25,000 has supported this exciting new northwest Iowa mission.



Church & Clergy Finance/Treasurers Workshop

This financial workshop will be presented on Saturday, January 9 at Immanuel, Guthrie Center and Saturday, January 16 at First English, Spencer from 9 am – 3 pm. Cost will be \$22 per congregation which includes registration, materials, and lunch. Any individuals within the church having financial responsibilities should attend. The guest speaker on January 9 will be Mr. Robert Joy, CPA, a consultant and speaker who specializes in church and clergy taxes and non-profit audits. The speakers on January 16 will be Sally Bohmer who has an interest in finances and clergy taxes and Randy Gayken, South Dakota District Business Manager, who has nearly 30 years of church treasurer experience.

One complimentary Congregational Treasurer's Manual (volume 1) will be provided per church. Note the complete manual is also online for quick reference at www.lcms.org/ctm.

Thanks to Carole White and Lutheran Church Extension Fund for providing lunch. The afternoon session will include a presentation from Concordia Plan Services from 1-3 pm. The brochure and registration form is online at www.idwlcms.org.



Clergy Tax notes

Congregations must provide an IRS Form W-2 to their pastor and other employees prior to January 31. Taxable income reported in Box 1 on the W-2 should not include any housing allowance dollars, the value of the parsonage or any dollars sheltered from income tax by a congregational housing allowance resolution. The minister of the gospel pays self-employment tax (15.3%) on those dollars. Complete details shared at the Church & Clergy Finance/Treasurers Workshop!

Taxes and Ministers

The 2009-2010 edition of TAXES AND MINISTERS, a 32-page document designed for ordained and commissioned ministers is available at www.lcms.org (click on resources for congregations, administrative resources, and Taxes and Ministers) or direct link is <http://www.lcms.org/graphics/assets/media/LCMS/taxmin.pdf>.

Gifts to Church Workers

Christmas gifts to church workers from the congregation in most cases represent taxable income and not a tax free gift. Be sure to report correctly on the recipients W-2 or 1099 the amount of these gifts. Also important to note, donations made by members for these gifts are not included as tax deductible contributions recorded by the church office. Complete details included in the Taxes and Ministers document page 12.

2010 IRS Mileage Rates

Beginning January 1, 2010, the standard mileage rate used to reimburse workers business miles under an accountable reimbursement arrangement will be 50 cents per mile (5 cent decrease from the current rate of 55 cents). The accountable reimbursement is the most favorable because tax regulations permit the congregation not to report the reimbursement as compensation paid to the employee on Form W-2. The employee should document the amount, time and place, business purpose, and business relationship. Employees should substantiate miles at least every 60 days. The standard medical and moving mileage rate has likewise decreased to 16.5 cents per mile (from 24 cent). The rate used for charitable deduction purposes, set by statute rather than IRS, remains at 14 cents per mile.

Churches may choose to reimburse a lower rate without any tax consequences. If the church chooses to reimburse at a rate higher than the IRS approved rates, the church must add the excess amount to the employee's taxable income. To read the complete IRS announcement, go online to: <http://www.irs.gov/newsroom/article/0,,id=216048,00.html>.

2010 Receipt Vouchers and Synod Convention Assessment

New vouchers will be mailed in mid-January for remittances beginning February 1, 2010. In addition to budget dollars, monies for District missionaries can also be included on this form. Receipts for non-budgetary agencies (for example, Armed Forces, Camp Okoboji, Lutheran Family Service, Lutherans For Life) should be sent directly to the organization.

Included in the treasurer mailing will be the Synod Convention Assessment/invoice. Please pay the invoice by June 1. The communicant member number from the 2010 Lutheran Annual (2008 statistics) is used.

Congregations will be receiving soon the Congregation Statistics Report from Synod. It is important this form is completed and returned to Synod by February 28 so District and Synod has correct data for future reports and convention assessments.

2010 Pledge Form



The 2010 Congregation Mission and Ministry commitment forms have been sent to all 177 congregations. If your church has not yet completed the form, please return by January 15. Your intention of support assists us in planning our budget. If you need another copy, print a copy online at http://www.idwlcms.org/district_news/information/commitment_form.pdf or contact Sue.Light@idwlcms.org.

Final 2009 District Remittances

Final receipts for 2009 will be received and credited to congregations through January 25, 2010. The District's fiscal period ends January 31, so we ask that all receipts be mailed before the deadline to ensure they will be credited to the correct fiscal period.

Concordia Plan Services Tax time Tips

The 2009 W-2 forms you issue to your workers may require Plans information. The following tax tips apply:



1. On the form, the "Pension Plan" box needs to be checked for those workers enrolled in the Concordia Retirement Plan.
2. The instructions with the "2009 Cost of Group Term Life Insurance" explain how to report the Taxable Income Amount on a worker's W-2. Remember to add the FICA amount to the lay workers paycheck before year-end (if you haven't already). Refer to the Congregational Treasurer's Manual, Chapter 4, section 4.600 regarding Plans Group Term Life Insurance.
3. All 403(b) withholdings (i.e. MetLife) are reported on the Form W-2 in Box 12 with code "E" displayed.

Concordia Retirement Savings Program (CRSP)

For those church workers in the Church's Plan, now is a good time to enroll in the CRSP through MetLife. With a new year, often comes salary raises. A portion of the raise could be saved for retirement. The best part is Concordia Plan Services will provide a match. More details on the CRSP at www.concordiaplans.org/DetailPage.aspx?ID=104. Many useful resources, such as the CRSP Employer Administrative Guide, are available on the Concordia Plan Services website at www.concordiaplans.org. Be sure and visit Resources/Employer Resource Materials for more information.

Concordia Pre-Retirement Workshop

There still is time to register for the first ever Concordia Plan Services Pre-Retirement Workshop for professional church workers to be held at the Boulder's Conference Center in Denison. The program will begin Thursday evening, February 11 and end mid afternoon on Friday, February 12. If you are approaching 50 or older, now is the time to review your retirement plans. To facilitate planning, please register if possible by January 11. To register, send an email to Roger at Roger.Curtis@idwlcms.org. More information is online at http://www.idwlcms.org/district_news/information/pre-retirement_workshop.pdf