

## **First Quarter 2009 Operating Results** **April 30, 2009**

The churchwide organization of the Evangelical Lutheran Church in America had a net operating deficit of \$1.6 million in current operating funds at the end of the first quarter of fiscal year 2009. Receipts totaled \$18.5 million for the quarter, compared to \$20.6 million the previous year, a decrease of \$2.1 million or 10.1% and \$0.2 million or 1.2% unfavorable to the seasonal operating deficit anticipated in the first quarter. Expenses related to the current operating fund decreased by \$28 thousand to \$20.2 million, a negligible percentage change from the first quarter 2008, and at 95.5% of the anticipated 2009 first quarter spending.

Income from congregations through synods in the form of mission support income decreased to \$14.9 million for the first quarter 2009 compared to the prior year, a decrease of \$1.4 million or 8.5%. Mission support income did, however, exceed the budgeted amount for the first quarter by \$30 thousand dollars, reflecting 100.2% of the revised income estimate approved by the ELCA Church Council in March 2009.

In 2008, bequests and trust distributions greatly exceeded budget and, as expected, results in the first three months are not matching last year's performance. Bequests and trusts in the first quarter 2009 are unfavorable to the same period in 2008 by \$1.9 million and are \$0.2 million unfavorable to budgeted levels. Other unfavorable variances include Vision for Mission gifts and unit designated gifts. Favorable income variances include missionary sponsorship, investment income, endowment distributions, and rental income. Grant income of \$0.9 million was equal to budget but favorable to April 2008 due to timing differences.

Total contributions to the general ELCA World Hunger Appeal through April 30, 2009, were \$2.3 million as compared to \$3.2 million for the same period, previous year. Of this decrease of \$0.9 million, \$0.7 million was from lower bequests and trust income and \$0.2 million was from decreased current giving. World Hunger annual income estimates for 2009 were reduced in March 2009 from \$20.6 million to \$18.7 million. Income is unfavorable to the revised estimates by a total of \$0.3 million through April 2009. Total income for Disaster Response for the first three months of 2009 is \$0.3 million as compared to \$0.7 million as of April 30, 2008.

The first quarter financial results for 2009 clearly reflect the impact the economy is having on our congregations and synods, and warrant continued analysis and monitoring. Of particular concern is mission support income, which has been down compared to the corresponding month in the prior year for four consecutive months. Despite the large variances to prior year, it should be noted that income is performing very close to budget and supports the spending plan approved by the Church Council. World Hunger income is behind estimates for the first quarter, with the largest decrease being in the area of congregational gifts through synods.

Current operating results and a summary of mission support by synod can be found on the following pages.