

**PRESS RELEASE**  
**General Council on Finance and Administration**  
**The United Methodist Church**

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**GCFA's Economic Advisory Committee Begins Looking Forward**

NASHVILLE, TN – Economic challenges still lie ahead, but the church has weathered similar downturns. That was one of the conclusions reached by members of The General Council on Finance and Administration (GCFA) Economic Advisory Committee after its first meeting Friday, December 5, 2008 in Nashville, Tennessee.

The Committee – which includes economists, financial experts, researchers, and church leaders from across the country – is still in the early stages of developing an outlook for the coming months. Based upon current data and some assumptions of some future events, the group anticipates the economy should be in recovery by the second half of 2009.

“Each recession is unique, so predicting the duration of the current recession is inherently difficult,” Don House, an economist and member of the committee said. “We have a better understanding of what policy measures are required at the federal level, and we believe there is a clear intention among policy makers to implement effective measures.”

The Committee will continue to closely monitor the economy, and will also look into how economic research can benefit the work of the denomination, its annual conferences, and its local churches, while keeping in mind the mission The United Methodist Church. “We must look with a theological eye towards the use of all of our resources, letting both our visions for ministry and the example of Jesus' mission of bringing good news to the poor, letting the oppressed go free, and proclaiming Jubilee shape the use of our resources,” Dustin Petz, pastor of Goodland UMC of Goodland, Kansas said. “This will mean we will have to be more strategic with the employment of our time, our finances, and our energy. Making these changes will be difficult, but we now have an opportunity to see the current context as a chance to be more effective at making disciples for Jesus Christ and transforming the world.”

“GCFA is constantly monitoring all economic indicators”, says Bishop Lindsey Davis, president of the Council. “Indicators show us that the current connectional giving is still strong through 2008. 2009 will present significant challenges, but our boards and agencies are prepared to make any necessary adjustments. Our thanks to the faithful members of The United Methodist Church who continue to give generously even during these uncertain times.”

“Hope is always a primary focus for persons of faith in times of crisis,” said A. Moses Rathan Kumar, General Secretary and Treasurer of GCFA. “Our pulpits and pews are filled every Sunday with messages to ‘maintain hope’ during a time that is seeing the greatest volatility in the US markets in recent decades.”

Following the meeting, GCFA released the following statement to various stakeholders:

### **Statement of the General Council on Finance and Administration**

The Economic Advisory Committee of the General Council on Finance and Administration (GCFA) discussed the economic state of the Church during its first meeting, December 5, 2008 in Nashville, Tennessee. Those in attendance included economists, financial analysts, researchers, and church leaders – both clergy and lay – from across the country.

The current recession, the weakness in the financial sector, and the downturn in the stock markets have introduced financial challenges for our congregations. We are all concerned about the financial future of our local churches and our denomination as a whole. These challenges are similar to those our churches faced in past recessions. Although this time will not be easy for many, and will be very difficult for some, the assembled experts anticipate an economic recovery beginning in the latter months of 2009.

In the United States, giving at the local church level, adjusted for inflation, tends to decline during recessions, and then increase in the years following. During the recession of the early 1980's, giving dropped 2.43% from 1978 to 1979, then declined another 3.11% in 1980, and another 0.31% in 1981. Giving then increased an average of 1.91% for the years 1982-1989. During the recession of the early 1990's, giving dropped 1.04% in 1990, then increased an average of 2.12% over the next 12 years. Following the recession of the early 2000's, giving leveled off again, increasing by 0.19% in 2003, and 0.44% in 2004,. Over the last 30 years, local church giving has increased at a 1.28% average annual rate, adjusted for inflation. Nevertheless, the committee expects modest shortfalls in payments to the general funds apportionment in 2008 and 2009, similar to those experienced during past recessions.

**Percentage Change in Year-to-Year Giving  
(Adjusted for Inflation)**

Year	% Increase in Giving Over Previous Year	Year	% Increase in Giving Over Previous Year	Year	% Increase in Giving Over Previous Year
1977	1.84%	1987	1.11%	1997	4.27%
1978	0.55%	1988	0.50%	1998	4.02%
1979	-2.43%	1989	0.71%	1999	5.02%
1980	-3.11%	1990	-1.04%	2000	1.81%
1981	-0.31%	1991	0.12%	2001	3.04%
1982	1.34%	1992	0.35%	2002	2.31%
1983	2.76%	1993	0.13%	2003	0.19%
1984	3.66%	1994	1.28%	2004	0.44%
1985	1.74%	1995	1.13%	2005	2.28%
1986	3.48%	1996	1.93%	2006	-0.61%

NOTE: Shading denotes recession years.

Work throughout the denomination continues. Through the generous and faithful giving by local churches to the general funds, The United Methodist Church continues to make a vital difference in the world. We do this through mission programs like the ZOE Ministry in Huye, Rwanda where AIDS orphans are working to grow their own food to earn an income, pay for schooling, gain self-sufficiency, and, in turn, help out others who are in need. In Pittsburgh, PA the use of text messaging and other forms of new media in innovative ways is being used to connect young people with our churches. We are making an impact on important legislation like the Second Chance Act, which provides vital federal funding to organizations working to transition people from prisons and jails back to their communities. We are building up a new generation of faith-filled leaders to go out start new congregations and revitalize existing churches around the world.

During the challenging times ahead, many will turn to our churches for additional comfort and peace. It is important that in these times the Church remains ever present to those in need of support of all kinds. We believe these times of uncertainty represent new opportunities for the mission and ministry of our churches.