

THE NATIONAL PRESBYTERIAN CHURCH

July 11, 2007

Dear Friends and Members of The National Presbyterian Church,

Please take time to read this letter carefully as it contains important information about recent Session decisions that will affect the future of our church.

As many of you know, over the past few years the Session has set expense budgets that are greater than the combined income of faith giving and rental income. The Session and the Board of Trustees have made up the difference with funds from the church's endowment funds, which are invested through the NPC Maryland Corporation. For 2007 the Session set an even more hopeful budget, anticipating the congregation would be able to "step up" our giving by another \$500,000.

In May, you received a letter explaining that faith giving was not meeting the hoped-for income budget for 2007 and that we needed to hear from you by July 1st as to what level of giving you intended for this year. On the last Sunday of June, there was a strong demonstration of support in your offering of \$110,000. Thank you for that very special signal.

However, the total faith giving offerings for the first six months of 2007 were about the same as those for first six months of 2006. We have not been able to see an increase in faith giving to meet the high hopes of the 2007 budget. As you will see in Sunday's bulletin, our current cash flow between income and expenses for 2007 is about \$427,500 in the negative.

The Session and Trustees have been very concerned about this growing gap between income and expenses. The Session has decided it is time to make some significant changes to our 2007 budget in order to achieve a balanced budget in 2008 and achieve some savings in 2007.

At the end of June, the Session decided to cut the 2007 budget by \$500,000: \$400,000 from the personnel budget and \$100,000 from the rest of the budget. The purpose of this letter is to give you important information about how this \$400,000 will be cut from our staff budget.

The decision-making process that led to these staff changes has taken more than three months. Our Session and Personnel Committee have invested hundreds of hours in prayerful and careful conversation and discernment about what God is saying to us and about what decisions need to be made.

The Session wanted to make sure that this pruning was not just about an income budget crisis, but also about preserving the core of our ministry identity and continuing to move toward implementation of our new Strategic Plan. Practically, this is not just a budget cut, but a full-staff restructuring plan, in light of our long-term ministry needs and budget realities. These staff changes will have an impact on every job and every ministry of The National Presbyterian Church.

There are staff positions that will be closed, reduced, consolidated, or expanded to ensure that the restructuring will provide essential ministry leadership, support, and service at less cost overall.

In Administration, the Director of Operations and Personnel position will be closed. Personnel responsibilities will go to the Executive Pastor and operational duties will go to a new consolidated position of Operations Manager. Also, the Receptionist/Office Manager role will be reduced from full time to $\frac{3}{4}$ -time. The $\frac{1}{2}$ -time Kitchen Manager position will not be filled and will be closed. Kitchen management will be the responsibility of the new Operations Manager.

In Music, the organist roles will be realigned so that the Organist will play 46 Sundays (full-time) and the Associate Organist will play 6 Sundays. The Assistant for Music Ministries will be reduced from full-time to $\frac{1}{2}$ -time. The Chancel Choir's six Section Leaders will be reduced to four.

In Outreach, the Director of Mission and Outreach position, which is currently empty, will not be filled and will be closed. A ½ time Coordinator of Mission and Outreach will be hired to support our current mission connections. Leadership of Mission and Outreach will go to the Executive Pastor.

In Nurture, the Director of Adult Nurture position will be closed. A ½-time Coordinator of Adult Nurture will be hired to support our current adult education classes and adult ministries. Leadership of Nurture will go to the Associate Pastor for Christian Formation and Discipleship.

In Congregational Care, the Temporary Associate Pastor position will be closed. The Associate Pastor Nominating Committee will be asking the congregation at the July 15th Congregational Meeting to “suspend” this search for one year and close the position of Associate Pastor for Congregational Care. If our 2008 income improves, the Session may ask the Congregation and the Presbytery for permission to reopen the position and re-launch the search. Care responsibilities will be led by the Director of Care Ministries/Parish Nurse, who will engage the other three pastors in memorial services, hospital visitation and home communion. Lay leadership and ministry in care will be amplified by a volunteer staff who will engage in more visitation.

The position of Assistant for Congregational Care will be consolidated into the new Operations Manager role, including administration of wedding and memorial services. Other administrative support may be provided by the Assistant for Facilities Scheduling and Connections in Ministry and Mission.

In Finance and Information Technology, a reduction and reordering of jobs that is yet to be finalized will save up to \$65,000. It is our desire to maintain the excellent financial accountability and information technology support we have, at a reduced cost.

The Assistants for the Senior and Executive Pastors will take on more administrative responsibility to free the pastors to do more caregiving.

By August 15th, we will be saying a sad good-bye to Jean Coyle, Ed Satterfield, and Peggy Miller, who have all served this church with grace and wisdom. Shirley Best, Carolann Haley, and Mary Mozelle will be in reduced jobs. And almost everyone will have a new job description to make this restructuring work.

While this is a very sad time for our beloved staff and for NPC, this is a strong signal to you as the congregation that NPC’s leadership intends to live within its means, and limit our annual expenses to the amount of our annual income.

We have been given a wonderful inheritance in the NPC facilities, of which we must be good stewards. Over the next few years we must have enough money to cover the necessary maintenance and upgrades of our buildings and grounds. The recent loss of our elevator and the inability to have it repaired quickly is a sign that there are significant expenses ahead in servicing our facilities. We continue to think carefully about how we will raise the money to care for these beautiful buildings.

We, as leaders, still have many questions about the state of our church – how can we improve our stewardship? Anticipate a balanced budget? Increase participation in worship, education, and mission? Why is our membership and worship participation declining? Your officers will be seeking answers to these questions over the next few months. We also believe it is necessary to recruit many more volunteers to lead and serve in ministry in NPC as disciples of Jesus Christ.

This month we will continue to search for stewardship consultation so that we can glean a better profile of our congregation and understand who we are in our hopes, expectations, attitudes, and values.

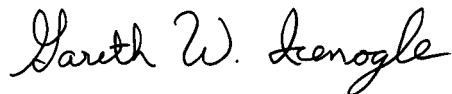
We believe these budget cuts and staff restructuring are the beginning of a clearer and more responsible future for NPC. But we are grieving the loss that these changes have brought.

This coming Sunday immediately after the 9:15 and 11 a.m. worship services, there will be a Town Meeting and a Congregational Meeting. There will be a few minutes at these meetings for your questions and brief comments.

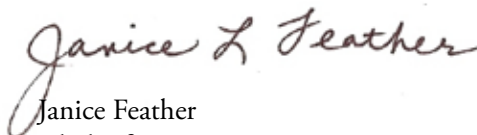
We ask you to join us, the staff, Session, Trustees, and Deacons to pray for our church. May we have the courage to do the hard things God leads us to do and find the discernment to make the decisions along the way that may empower us as we follow Jesus Christ together.

O God of mercy and love, in Jesus Christ, hear our prayers for The National Presbyterian Church. May your will be done in our midst and may your work be done by our members. Help us to grieve the losses of the past and of these staff friends we so love, and look for the future we so hope you can bring to be. In all these changes, Lord, help us to love one another. Move us toward generosity of spirit, time, and money. Show us our failings and reveal your healing call to make us stronger and more effective for your Kingdom. Lead us away from the temptation to blame and attack in our pain. Deliver us from any distortions of life together that block our future with you. Stir in us and among us the passion to do your ministry within the church and your mission to the world. Wake us from our casualness and superficiality. Throw us into the deep waters of trouble so that we might discover the deeper reservoir of your unfathomable love. May we see Jesus as individual disciples and follow him together as a community growing in unity, in the name of the Father, the Son, and the Holy Spirit. Amen.

In His Service,



Gareth W. Icenogle
Senior Pastor



Janice Feather
Clerk of Session