



January 2009

Dear Members and Friends of Third Presbyterian Church,

Following a joyous and inspiring Christmas season at Third Church, we hope that your new year is getting off to a blessed beginning.

We first want to encourage your attendance at one of two "town hall" meetings on ***Sunday, February 1 following each morning worship service*** so that we can have further conversation about our 2009 financial picture.

We are writing to share with you news about the church's financial situation. Over the past months, as the nation (and many of you) has faced economic uncertainty, Third Church leaders have sought to address these new challenges with a determinedly non-anxious approach, fortified with patience and hope. With additional meetings and countless e-mails, we have addressed our situation faithfully and head-on.

***STEWARDSHIP.*** Our creative and inspiring fall effort, StewardSHIP 2009, touched many of you. 216 of you (individuals and households) were able to increase your pledges by an average of 8%, commendably more than the suggested 5% increase. Those who increased their pledges represent over 50% of the pledges received thus far. We also received pledges from 21 people who did not pledge in 2008. This demonstrates a sense of commitment to and understanding of the challenges at hand. At the same time, 131 of you maintained your 2008 pledge level for the new year, and 52 have found it necessary to decrease your pledge. There are a variety of reasons for these responses, including the current economic situation.

That means that as of January 21, 420 of us have pledged \$813,050. We are encouraged by this response, but we need to continue pushing ahead to our goal of \$931,000.

A huge word of gratitude to those of you who have responded, in whatever fashion you've been able to. An additional strong word of encouragement to those of you who for whatever reason have yet to pledge. A stewardship pledge matters every year – this year that is particularly true. If you would like another pledge card, or would like to pledge confidentially, please contact Carol Foster at [cfoster@thirdpresbyterian.org](mailto:cfoster@thirdpresbyterian.org). or 271-6537, ext. 111.

***ENDOWMENT.*** As you are aware, the market turmoil of last fall has hurt not-for-profit endowments across the board, and Third Church's is no exception. Thanks to Rusty Olson and our Trustee Investment Committee for their prudent management. At year-end 2008 our endowment value was approximately \$3.7 million dollars, down from \$6.4 million at the end of 2007.

Our endowment policy calls for a 7% annual draw to support operating costs, and despite pressure to raise that draw in order to meet some of the budget challenges noted below, we believe that such a move would not be prudent. We utilize a five-year/twenty quarter rolling average, so this drop in endowment value will not affect us all at once. But it will have consequences this year and in the years to come, even as the market slowly rebounds. (You may read Rusty's excellent December 14 endowment presentation by visiting <http://www.thirdpresbyterian.org/support/stewardship.shtml> or calling the church office.)

**2009 BUDGET.** Given the stewardship and endowment scenarios above, the Joint Budget and Finance Committee is leading us in the process of developing a 2009 budget that will need to make approximately \$100,000 in cost reductions. As you can imagine, these conversations are not easy ones, and we are grateful for the hard work demonstrated by many in addressing these concerns. We will likely have to make cuts that will not be popular. What we are committed to is the strength of our program, the care of our facilities, the effectiveness of our outreach and the support of our excellent staff. As stewardship results become clearer, we will have a better sense of where we are going in this discussion.

What can you do?

- Pray for the church, and particularly for leaders asked to make decisions in this challenging time.
- Pledge, if you have not done so, and consider that pledge in light of all that we have shared.
- Share your ideas or concerns with any of us who have signed the letter, or any Elder or Trustee.
- Come to the meeting on February 1 for updates and to learn more about our current situation.

Thank you for reading this lengthy communication, and for your care and concern about the life and ministry of Third Church.

Faithfully,

Susan Rupp, Chair  
Joint Budget and Finance Committee

Jan Chisholm, Treasurer

Peter Weishaar, President  
Board of Trustees

John Wilkinson  
Pastor

**P.S. on the CAPITAL CAMPAIGN.** Many have inquired about the current state of our capital campaign. The Capital Campaign Cabinet is preparing a separate communication, but here is a summary. We have already received commitments that will address some of our most basic facilities needs, including the kitchen/Celebration center and accessibility. Plans are underway to begin those projects in the first half of 2009. At the same time, we are pressing ahead with finalizing the fundraising portion of the campaign. That will allow us to know the extent of our worship space restoration and other portions of the proposal.