Building up God's people
through His Word
for His world

GOOD SHEPHERD
LUTHERAN CHURCH

1133 Reston Avenue
Herndon, VA 20170
703-437-5020
gslcva.org

facebook.com/goodshepherdva
#gslcva on Instagram
vimeo.com/gslcva
youtube.com/gslcva

Rationales behind the Proposed FY2027 Budget

Each year, Good Shepherd's voting members are asked to consider and approve the budget for the upcoming fiscal year, which runs from September 1 through August 31. This year, the budget-approval meeting will be held on Sunday, August 23, following the 9:30 a.m. worship service.

Since early this summer, Core Ministry leaders, staff, the Finance Team, and the Board of Servant Leaders have been working together to create a budget proposal that balances predicted expenditures against predicted income (that is, regular offerings to the General Fund as well as interest income).

This pamphlet contains information about how much funding the ministry areas are requesting, what things those requests will pay for, and why the ministries are asking for increases or decreases in their budget areas compared to the current fiscal year's budget.

During the budget preparation process, the Finance Team asked the Core Ministry leaders, staff, and the Board to bear in mind that FY2027 income is expected to be about equal to that received during the current fiscal year.

The Finance Team is required to submit a balanced budget.

As you look through this pamphlet, you'll see that the budget requests from Discipleship and Community Service ministry areas are substantially lower than what has been requested in previous years. These reductions represent an effort **for FY2027 only** to spend funds in some dedicated accounts that have been building for a number of years. The programs supported by these ministries will not be scaled back in any way. All Discipleship and Community Service programs will be supported this coming year.

How will these programs be funded if the budget request is being reduced?

To answer that question, we need to get into the weeds a bit about where contributions go.

Contributions to Good Shepherd go into three different "pots":

- Pot A is for contributions to the General Fund, which is what we will vote on at the annual Assembly later this month.
- Pot B represents contributions to Above & Beyond (A&B) projects and undertakings.
- Pot C represents donations to dedicated funds outside of the A&B program.

(continued on next page)

Before a ministry can use A&B funds, it must first spend all General Fund money it has requested in any given fiscal year. Then, a ministry must use all A&B funds before it can draw on money in other dedicated accounts that may be available to the ministry.

Because of the ongoing generosity and support of Good Shepherd's members and friends, accounts dedicated to Discipleship and Community Service programs (Pot C accounts) have been growing. Good Shepherd wants to spend the money in these dedicated accounts in order to honor those who have supported various fundraising efforts and other appeals through the years. Therefore, we are deliberately reducing some General Fund (Pot A) requests so that we can access Pot C accounts and spend those funds.

Thank you for your continued support of Good Shepherd.

**Building up God's people
through His Word
for His world**

Property & Facilities

Roger Thorstenson, Ministry Team Leader

Where the money goes

- Maintenance of the grounds and the building (e.g., snow removal, pest control, elevator inspection, custodial maintenance, security, tools and other such supplies)
- Insurance
- Utilities (electricity natural gas, trash removal, water)

Budget request rationale

The Property and Facilities budget area has two overall types of expenses: those that are relatively predictable due to existing service contracts (e.g., insurance, pest control), and those that can fluctuate significantly due to environmental factors (e.g., storm water system maintenance, snow removal), grounds (maintenance and repair), or changes in commodity prices (e.g., electricity, natural gas). In determining the budget request for the upcoming fiscal year, the Property and Facilities Team increased the request in some areas based on current pricing trends and weather-related events. Overall, the Property and Facilities budget request for FY2027 reflects about a 2.5% increase over its FY2026 budget primarily due to increased costs of contracted support services (e.g., snow removal, storm water system maintenance, building and HVAC maintenance).

Budget support approved for FY2026	$238,850
Budget request for FY2027	**$244,595**

Personnel (Called)

Tony Esse, Board of Servant Leaders

Personnel (Lay Staff, Contractors)

Pastor Johann

Where the money goes

- Called staff, lay staff, and contractors

Budget request rationale

This line item is the largest macro item of the budget, for obvious reasons. However, this line item is significantly reduced from pre-pandemic and pandemic times. In addition, as compared to many other congregations, the percentage of the whole budget, for both general and directed giving, which this line item represents is lower, in some cases, significantly lower.

Over the past several years, the staff and Core Ministry leaders have worked to involve more volunteers, partially due to the Business Manager's and Senior Pastor's philosophy that, "At the end of the day, the church is a volunteer organization" (Pastor Johann). Involving more volunteers not only increases efficiencies and cost-savings but also encourages more members and participants to be involved, offering their time and talents, gratis, and raising personal stewardship to the Lord and His church. As an illustration, the Office Assistant position has still not been replaced; volunteers have stepped up with skill and responsibility. As an additional example, the two, separate positions of Director of Choirs and Organist have been combined into one. Similarly, the positions of audio and video technicians for virtual ministries have been combined into one.

Accordingly, these reductions have been accomplished by virtue of this increased emphasis upon stewardship even while cost-of-living increases to all employees have been made for this coming financial year. Finally, we have recently completed a multi-year process of reconstituting our staffing. Only 3 workers remain on our current staff from the pre-pandemic era, due to retirements, repositioning, the needs of the new digital age, and pandemic-era issues. A number of Core Ministry leaders have also joined our ranks or been replaced by other servants.

Budget support approved for FY2026	$600,213.80
Budget request for FY2027	**$616,358.35**

Christian Life & Engagement

Heidi Cooper, Director of Engagement

Where the money goes

Funds support and develop:

- Life Groups (Manic Mondays, Word Workers, Young Adults, Thursday Bible Study, and Men's Friday Breakfast gathering)
- Fellowship/congregational events (e.g., Fall Fun Festival, Chili Bingo, food trucks)
- Women's Ministry (e.g., the annual women's retreat, the Advent Tea)
- Men's Ministry
- New Member engagement activities (e.g., receptions, classes)
- Outreach events

Budget request rationale

In determining the budget request for FY2027, we considered costs of recurring events and the addition of more all-congregation events that will be part of our new Festive Sundays. We will request more funds through the Above & Beyond program if other new initiatives arise during the year.

Budget support approved for FY2026	$9,000
Budget request for FY2027	**$9,000**

Congregational Care & Nurture

June McGurn, Ministry Team Leader

Where the money goes

- Subscriptions for *Portals of Prayer* booklets, various care ministry pamphlets, and the weekly Taking Faith Home handout
- Supplies for volunteers, who send more than 700 cards each year for life events
- Mementos for Baptisms

Budget request rationale

Spending for the devotional material is predictable, and the work of this Ministry is performed by more than 66 volunteers who in some cases donate the cost of any materials used. Expenses involved in organizing most ministry programs are funded by the ministry's Above & Beyond category. A small increase was requested for the 2027 budget year to cover cost increases, as in postage and greeting cards.

Budget support approved for FY2026	$1,500
Budget request for FY2027	**$1,800**

Staff Conferences, Continuing Education, Auto Mileage

Pastor Johann

Where the money goes

- Modest resources for staff to attend conferences and receive continuing education for ministry
- Reimbursement for mileage costs related to pastoral visits for grieving, illnesses, mental health counseling, spiritual counseling, communion for shut-ins, and marital counseling

Budget request rationale

Adjustments for auto mileage were made, since beginning with the pandemic area, more visits have been necessary. If some people can't or won't come on campus for face-to-face interaction, then the ministry needs to go visit them, for many obvious reasons. In addition, we are continuing to weather a historic level of mourning and shut-ins in the life of Good Shepherd. Moreover, a number of married couples and families with relationship issues need visitations and counseling. Therefore, we anticipate that many visitations by pastors, particularly with communion, are highly desired in this coming year. Finally, the mileage request has been reduced for this year since Pastor Johann will be on sabbatical, even though Pastor James will "pick up some of the slack."

Budget support approved for FY2026	$8,800
Budget request for FY2027	**$9,300**

Hospitality

Michele Clair, Administrative Assistant

Where the money goes

Supplies for Sunday morning fellowship time:

- Coffee
- Tea
- Creamers
- Cups
- Other supplies

Budget request rationale

In determining the budget request for FY2027, the Hospitality Team decided to keep the budget the same as FY2026 as needs were considered to stay fairly consistent in the upcoming year.

Budget support approved for FY2026	$1,000
Budget request for FY2027	**$1,000**

Discipleship

Pastor James, Ministry Team Leader
Holly Vanderhoof, Youth Ministry Director
Michelle Tenhaeff, Children's Ministry Coordinator

Where the money goes

- Adult Bible Studies
- Library
- Sunday School curriculum (2 yrs–8th grade)
- Sunday School supplies (2 yrs–8th grade)
- VBS supplies and curriculum
- High School education (Grades 9–12)
- Education/Training materials/Seminars for Sunday School staff
- Education–Confirmation class materials
- Education–First Communion class materials
- Middle School education (Grades 6–8)
- Senior Youth–High School Ministry (HSM)
- Middle School Youth–Middle School Ministry (MSM)

Budget request rationale

Although the FY2027 budget request reflects a significant reduction in funding for Discipleship programs, education remains a priority at Good Shepherd and will continue to be throughout FY2027. Thanks to the generous support of members and friends over the years, sufficient funds in dedicated accounts are available to support Sunday School, Middle School, and High School curriculum and activities. Above & Beyond funds will be resourced to ensure that Vacation Bible School remains a vibrant ministry and outreach to both church members and the wider community.

Funding for Adult Bible Studies, Confirmation, and First Communion, although reduced, will still meet each program's needs and support the quality expected of these ministries. These programs are also supported by reimbursements from participants to cover materials or other program costs. Overall, the Good Shepherd family can be confident that the Discipleship Team will have the financial and staff resources needed to share the gospel through education.

For an explanation of how we're using the dedicated and designated accounts in FY2027, see the front of this pamphlet.

Budget support approved for FY2026	$11,300
Budget request for FY2027	**$1,100**

Board of Servant Leaders

Tony Esse, Board Chair

Where the money goes

- Materials and supplies for the Board of Servant Leaders

Notes

When needed, the Board budget area covers costs for called worker searches and for related moving expenses for new called workers.

Budget request rationale

In determining the budget request for the upcoming fiscal year, the Board considered the budget needs of previous years and planned activity for this year. Funds will no longer be included in the BoSL area for Synod Convention Assessments, which will be covered elsewhere in the general budget in coming years.

Budget support approved for FY2026	$2,500
Budget request for FY2027	**$300**

Finance

Mike DeWan, Finance Team Leader

Where the money goes

- Offering envelopes
- Copier leasing and supplies
- Postage
- Other office supplies
- Telephone and Internet services
- Tech support
- Payroll processing
- Fees associated with banking and credit card processing
- Background checks for volunteers
- Payment of the mortgage and other loans

Budget request rationale

FY2027 finance expenses were determined using actual expenses from FY2026 for those elements that are usage variable and factoring a change to FY2026 levels based on estimated usage changes for FY2027. Fixed-cost items for mortgage and equipment leases were based on legal agreement rates. Loan expenses and leases remain the same as in last year's budget. Mortgage requirements in the FY2027 budget include principal and interest as has been the case for past-year budget preparation. Monthly loan payments remain unchanged for FY2027. The minor budget increase is due to increased excess copier usage and planned administrative hospitality events.

Budget support approved for FY2026	$194,350
Budget request for FY2027	**$195,150**

Communications

Jeff Donahue, Communications Director

Where the money goes

Funds pay for media subscriptions, applications, and supporting tools to support the GSLC mission and all ministry teams:

- The GSLC website (Ekklesia 360)
- Mass email marketing (Constant Contact)
- Graphic design application (Canva)
- Livestream/recorded service platforms (e.g., YouTube, Facebook Live, and Vimeo)
- Domain-hosting provider
- Online sign-up tool (Signup Genius)
- Service slide application (Proclaim)

Budget request rationale

In developing the Communications Team's budget request for FY2027, we evaluated both potential special initiatives and the status of recurring expenses. Based on this review, we determined that maintaining the FY2026-approved funding level will adequately support our ongoing operational needs. The slight reduction in our budget request reflects a reallocation of licensing fees to the Worship budget area.

As our online platforms continue to grow, the current level of funding is expected to sustain existing service levels and support requirements while providing limited flexibility to address modest increases on a case-by-case basis.

During the current fiscal year, the Communications Team experienced a sustained increase in workload, including the production of key publications such as the Annual Report, Summer Above & Beyond (A&B) catalog, and General Fund pamphlet. These publications enhance transparency regarding church activities and financial stewardship and have also contributed to increased personnel-related costs that are expected to continue into FY2027.

Should future budget requirements exceed current projections, the Communications Team will conduct a comprehensive review and, if necessary, submit a funding request through a future A&B catalog cycle.

Budget support approved for FY2026	$2,620
Budget request for FY2027	**$2,000**

Missions

Randy and Melanie Stockman, Ministry Team Leaders

Where the money goes

Funds in this budget area are used to support many mission organizations worldwide The team reviews these appeals and decides which ones Good Shepherd will support. While we support the LCMS Southeastern District annually, other mission efforts may vary from year to year but will fall under these broad categories:

- LCMS mission programs
- Lutheran World relief
- U.S. missions
- International missions

Budget request rationale

The Mission budget proposed will continue support for the LCMS Southeastern District (SED), LCMS mission programs, Lutheran World Relief, U.S. missions, and international missions. We will augment mission support through the Above & Beyond program for organizations the team feels could use additional funding beyond what was budgeted and/or organizations not included in the budget due to limited availability of funding. The Mission Team’s budget request is slightly lower than last year’s because an SED fee that was payable during FY2026 will not need to be paid again until FY2029.

Budget support approved for FY2026	$40,000
Budget request for FY2027	**$37,500**

Community Service

Holly Vanderhoof, Community Service Coordinator

Where the money goes

- Cornerstones
- South Lakes High School Food Pantry
- Weekend Grocery Packs
- Fellowship Square
- Other local charity requests

Budget request rationale

Thanks to the generosity of Good Shepherd members and friends through the years, the Community Service Team has enough funds in dedicated accounts to support our ministry efforts through FY2027. Support will be provided to Cornerstones and other local charities as requested. Should new service opportunities arise during the year, we will request funds for these efforts through the Above & Beyond program.

For an explanation of how we're using the dedicated and designated accounts in FY2027, see the front of this pamphlet.

Budget support approved for FY2026	$2,500
Budget request for FY2027	**$0**

Worship & Celebration

Julie Schorfheide and Georgia Thorstenson, Ministry Team Leaders

Where the money goes

- Altar Care (communion wine, candles, candle oil, paraments, vestments, palms, dry cleaning, robes for acolytes)
- Music Ministry (music for the vocal choirs, Praise services, the bell choir, the organ; special music for festivals and festive Sundays; choral section leaders; maintenance of all pianos, the organ, handbells and chimes)
- Sound system upgrades and maintenance
- Children's activity bags
- Bulletin covers for Christmas, Easter, other special services, funerals
- Flowers; special decorations for festivals
- Licenses, copyright fees, and subscriptions that allow us to use music in our worship services and on streaming platforms and to record our services for later viewing and listening
- Baptismal supplies
- Substitutes for our organist

Budget request rationale

The Worship Team has slightly increased its budget request for FY2027 to account for the rising cost of various supplies. We plan to rely on the Above & Beyond program to help fund more special music in worship as well our Sanctuary Choir section leaders.

Budget support approved for FY2026	$30,800
Budget request for FY2027	**$31,875**