



2021 ANNUAL MINISTRY PLAN

Combined Operating Budget for the Lutheran Church of the Good Shepherd

OVERVIEW

The 2021 Annual Ministry Plan for Good Shepherd holds fairly closely to the 2020 plan, with concrete budget numbers now for the Associate Pastor position, which numbers were not known when we approved the 2020 budget. Having no way to predict how the pandemic will affect our expenses, as far as when we will be meeting in the building and what we will be able to be doing when, we simply updated 2020 figures based on what we do know, and otherwise left the budget mostly “as is.” The budget includes continued support for the ministries carried out through this congregation as well as other expressions of the Church, locally and beyond. An overview of that plan appears below, highlighting changes as compared to last year’s plan.

ESSENTIAL FINANCIAL INFORMATION – The proposed 2021 LCGS Operating Budget totals \$556,350, is fairly flat to the 2020 budget, when adjusted to include the Associate Pastor position. All expenses for the Associate Pastor’s compensation are reimbursed via fund transfer from the **Responding to the Spirit** appeal account, and mission dollars coming from the Lower Susquehanna Synod. In framing this budget plan the Congregation Council attempted to balance two concerns: the desire to provide funding essential to continue the program life of our congregation and the need to be responsible in regards to constructing a budget that takes into account anticipated levels of financial support.

GIVING TRENDS – We began 2020 with a negative balance in the Operating Budget, which we erased, thanks to the faithful giving of so many. Thank you for your support! Not knowing what effect the pandemic will have on our finances in 2021, we chose to freeze staff compensation at 2020 levels and be cautious as far as setting controllable expenses. We successfully applied for Payroll Protection Program dollars, and can use those funds if necessary going forward. In combination, we are in the strongest position we can be to weather whatever 2021 may bring.

IMPLICATIONS FOR CONGREGATIONAL LIFE – The mission plan we are presenting for 2021 continues to provide support for ministries and programs vital to our health and growth, whether our ministry continues online or can be moved in person, or is a hybrid of both. We anticipate developing new outreach ministries, with Pastor Wilson’s help, and yet those ministries or their associated costs, are not known at this point, so we simply included a budget line for “New Ministries.”

I. OUR MINISTRY IN THE COMMUNITY AND THROUGH THE WIDER CHURCH

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$53,700	\$53,700	\$0	0%

We continue to support to the Lower Susquehanna Synod and other partner agencies and institutions to serve our neighbors near and far. Our support of benevolent ministries approximates a tithe, as it is nearly 10% of the Operating Budget.

II. OUR MINISTRY THROUGH WORSHIP AND MUSIC

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$52,918	\$52,552	(\$366)	-0.7%

The decrease here, over 2020, has to do with actual benefit costs for 2021.

III. OUR PROGRAM MINISTRY

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$10,225	\$10,225	\$0	0%

Support for the work that happens through our committees is included here, and, in some cases, reflects either plans that have been articulated or projections based on the current year. The unpredictability of the coming year has made that difficult in some areas.

IV. PASTORAL SERVICES

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$182,117	\$177,356	(\$4,761)	-2.6%

The decrease here is due to a reduction in benefit costs because of children aging out of medical insurance coverage, as well as less budgeted for Supply Pastors now that an Associate Pastor is part of the staff.

V. PARISH ADMINISTRATIVE EXPENSES

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$81,103	\$80,075	(\$1,028)	-1.7%

Most of the decrease here has to do with actual (rather than estimated) budget costs being used for 2021, as compared to 2020. The few other changes reflect projected costs. This budget adequately supports the administrative expenses that support our life and ministry.

VI. YOUTH AND FAMILY MINISTRY EXPENSES

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$5,000	\$5,000	\$0	\$0%

We are blessed with dedicated and talented volunteers to further our ministry with children, youth, and families, now supported by an Associate Pastor for Outreach and Faith Formation.

VII. BUILDING MAINTENANCE, UTILITIES AND INSURANCE

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$91,766	\$101,266	\$9,500	10.4%

The budget presented reflects our best estimates for supplies, utilities, maintenance, and improvements necessary to effectively operate and maintain our "maturing" building so that it continues to provide a home for our life and ministry. The increase here is the addition of a budget line for an "Outside Cleaning Service" to help on an interim basis and to be called upon if we need to disinfect the building due to a COVID-19 exposure. In addition, there is also \$7,000 budgeted to fund any other COVID Mitigation efforts that may be required in 2021.

VIII. MORTGAGE

2020 BUDGET	PROPOSED 2021	DOLLAR DIFFERENCE	% DIFFERENCE
\$75,552	\$76,176	\$624	.8%

The change here reflects an interest rate adjustment that takes place this fall. We have \$506,209 remaining on our mortgage at this point, which is due to be satisfied in 2028.

