

# Narrative Budgets: How To? Synod of the Northeast Webinar

OCTOBER 28, 2021, AT 12:30PM ET  
REV. DR. ROSE EILEEN NILES,  
MINISTRY RELATIONS OFFICER, NORTHEAST REGION

**AKA: Let your budget**  
**Speak your Vision:**  
**Narrative Budgets Work!**



Luke 6:38 (The Message)

Give away your life; you'll find life given back, but not merely given back—given back with bonus and blessing. Giving, not getting is the way. Generosity begets generosity.

Prayer

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# Core Values and Vision

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- Who are you?
- Where are you going?
- What do you have to declare?



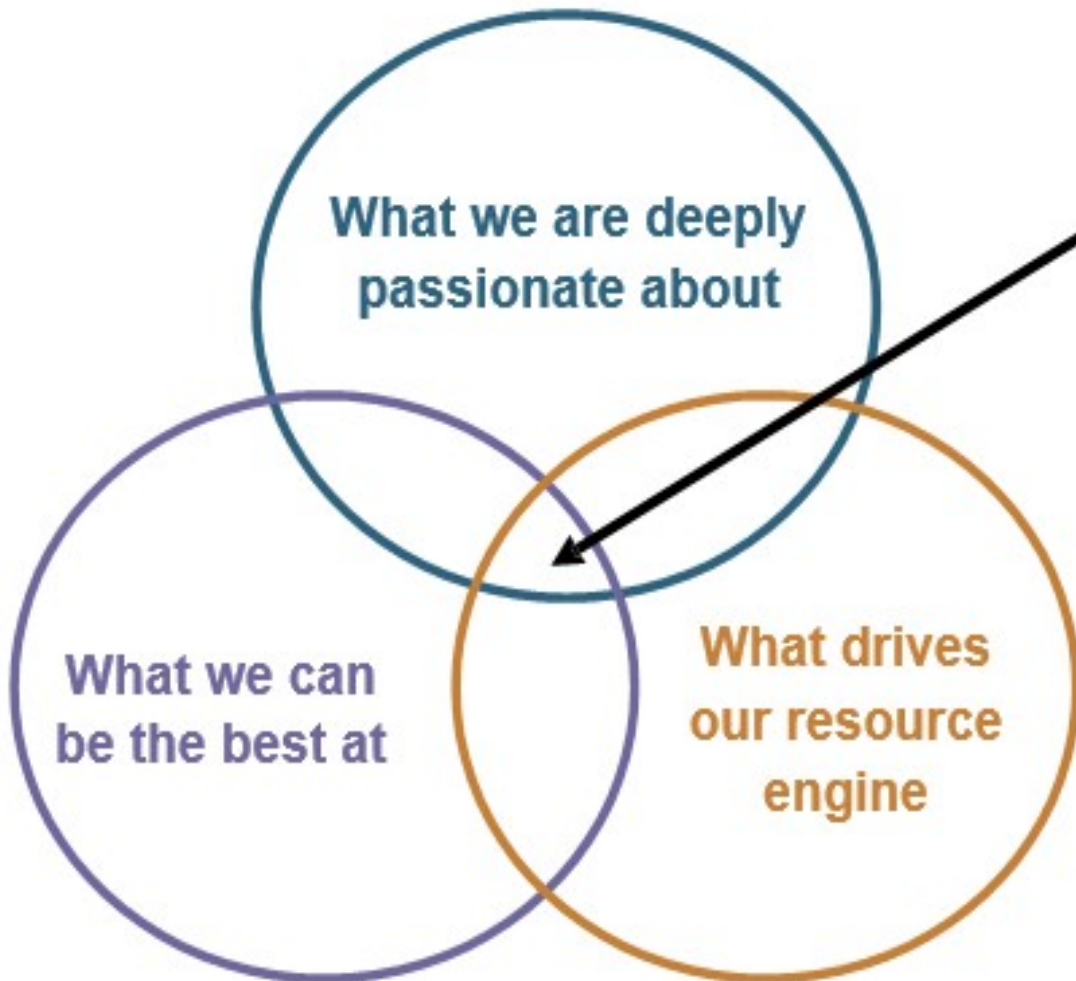
## Values

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- A church's principles or standards of behavior; its judgment of what is important
- Synonyms: principles, ethics, moral code, standards, code of behavior
- The principles on which the organization is built
- Answers the question: What do we believe in?
- They are *how* you do things
- They have *EVERYTHING* to do with giving!

# CLARIFY YOUR MISSION

## The Hedgehog Concept



**Where your true mission and programs should be**

# Visionary Church or Stagnate Church?



Visionary	Stagnate
Changed Lives	Balanced Budget
Need of the World	Guilt
Giving Changes the Giver	Giving balances the budget
Offering is a high moment	Offering is a time -out

# Telling impact stories

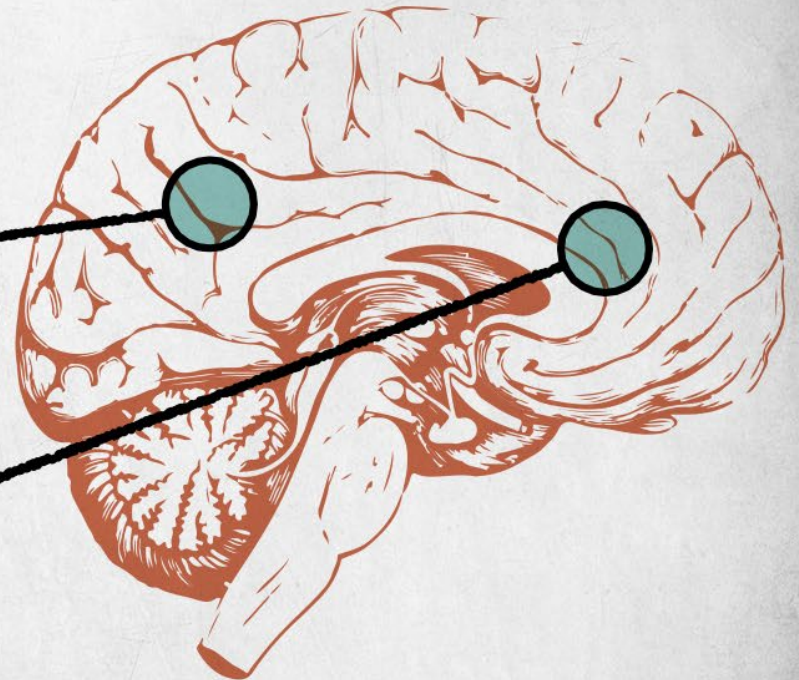
YOUR BRAIN ON DATA

## WERNICKE'S AREA

LANGUAGE COMPREHENSION

## BROCA'S AREA

LANGUAGE PROCESSING





# YOUR BRAIN ON STORIES

## VISUAL CORTEX

COLORS & SHAPES

## WERNICKE'S AREA

LANGUAGE COMPREHENSION

## OLFACTORY CORTEX

SCENTS

## AUDITORY CORTEX

SOUNDS

## BROCA'S AREA

LANGUAGE PROCESSING

## MOTOR CORTEX

MOVEMENT

## SENSORY CORTEX & CEREBELLUM

LANGUAGE COMPREHENSION



# Budget

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7 People

+

1 Dog

+

1 Car

Line Item

or



Narrative

# Road Trip! Norman Rockwell, The Saturday Evening Post (No Copyright Infringement Intended)





## Cultivation – WHAT is our story?

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- What is it you do well? In your church, in your community, in the world?
- How are you participating with Christ?

# Narrative Budgeting:

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*A great word doesn't matter if it isn't*

Being seen & heard

# Budget Classifications

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- Zero-based Budgeting
- Program Budgeting
- Line-Item Budgeting
- Narrative Budgeting

# Zero-Based Budgeting

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- Used by Executive Branch of Government
- All ministry areas are reduced to zero
- Every ministry area must justify expense requests
- Can be time-consuming
- Useful, as it encourages ministries to be regularly reviewed

# Program Budgeting

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- Ministry Areas evaluated based on effectiveness
- Each ministry area is reviewed, including needs and past effectiveness
- Target budget for the upcoming year is established, based on:
  - Funding
  - Pledges Received
  - Past Levels of Giving & Projected Growth
  - Assessed Needs
  - Combination of Approaches



# Incremental / Line-Item Budgeting

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- Based on previous year's expenditures
- Makes adjustments to each item for anticipated cost increases or activity changes
- Most popular among churches

# Incremental / Line-Item Budgeting

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- Accounting Tool
- Assigns expenses into categories, usually using number coding
- Usually presented in grid or spreadsheet

BUDGET EXAMPLE

Church Name  
Income and Expenses – Actual  
Date

**INCOME**

	Year to Date	Project Yearly Expenses	2000 Budget	2001 Budget
<b>OFFERING INCOME</b>				
Envelopes				
Loose Plate				
<b>Total OFFERING INCOME</b>				
<b>OTHER INCOME</b>				
Interest Income				
<b>Total OTHER INCOME</b>				
<b>TOTAL INCOME</b>				

**EXPENSE**

<b>ADMINISTRATION</b>				
Copier Service Agreement				
Employer Fica				
Employer Medicare				
Miscellaneous				
Office Supplies				
Payroll Service				
Postage				
Secretary				
Secretary Concordia Plan				
Telephone				
<b>Total ADMINISTRATION</b>				
<b>CHRISTIAN EDUCATION</b>				
Adult Bible Study				
Christian Ed Supplies				
Continuing Education				
Library Expenses				
Lutheran Witness				
Portals of Prayer				
Sunday School				
Vacation Bible School Exp				
Youth Confirmation				
<b>Total CHRISTIAN</b>				

# Line-Item Budget Template Example

# Narrative Budget

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A **narrative budget** is a representation of the line item **budget** in simple, easy-to-read descriptive terms. It transforms a line item of money and expenses into an exciting picture of ministries and missions of the congregation.

[wumf.org/stewbudgets.html](http://wumf.org/stewbudgets.html)

# BUDGET

## Line Item

vs

## Narrative

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- Accounting Tool
- DOES NOT show how money is being invested
- DOES NOT show how volunteer time and talents are impacting the church
- Should be used by the session

- Visioning Tool
- Shows the programs of the church having a positive impact
- Inspires and helps us see our gifts are really making a difference
- Help us to reframe finances to be about ministry

# A Narrative Equips your Church to...

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- Use ministry categories rather than line items
- Reframe gifts as investments in ministry instead of just “the light bill”
- Inspire givers by showing impact
- Increase financial resources for the ministry!
- Tell the Vision and Core Values

# Next Steps

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1. Define budget components of personnel
2. Define the number of “Ministry Areas” that you want your church to tell stories about (worship, mission, fellowship, music, etc.)
3. For each area, make a list of stories, who could share that story, and how you could share that story

# Select Ministry Categories

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Worship

Education (or Spiritual Formation)

Mission (or Outreach)

Fellowship (or Nurture)

Pastoral Care

And many more....

These categories will not match your  
budget categories!!



# Key Resource: Stewardship Navigator

The screenshot shows a web browser window with the URL <https://stewardshipnavigator.com/congregation/99999999/narrative-budget>. The page title is "Narrative Budget Creator".

**Stewardship NAVIGATOR**

- Home
- Annual Campaign
- Narrative Budget Builder**
- Stewardship Kit
- Planned Giving
- Web pages
- Brochures
- Document Storage
- Log Out

**Your Ministry Relations Officer (MRO)**

Rose Niles

## Narrative Budget Creator

**Welcome to the Narrative Budget Brochure Creator**

This page will help you create a narrative budget by recording and categorizing your line item expenses. Follow the steps below to get started.

**Your Narrative Budget Brochure:**

[Go To Content Manager](#)

**Select Three to Five Mission Areas:**

Youth	Justice	Family Ministry	Pastoral Care	Music
Missions & Outreach	Worship	Christian Education	Fellowship	Getting Connected
Care & Compassion	Loving Outreach	Authentic Relationship	Nurture	Support & Enable
Helping	Teaching	Building Faith	Sharing Christ	Reaching Up
Making Disciples	Empower	Recreation	Discipleship	Outreach

[Apply](#)

### How To Select Mission Categories

Click the boxes to the left to select three to five mission categories that best represent your church. If you're uncertain how many to select, we recommend you start with four mission categories. You will be able to customize these later.

When you're finished, click Apply below to go to the next step.

# Four to Six Categories, Please!

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**All line items are assigned or split up into one or more categories.**

- Salaries are assigned across categories
- Youth Ministry? Education or Fellowship & Education
- Missions or Education?
- Add or modify categories to fit your ministry, keep only 4 to 6 categories

# What Category is NOT listed?

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- Worship
- Education (or Spiritual Formation)
- Mission (or Outreach)
- Fellowship (or Nurture)
- Pastoral Care

Do you see ADMINISTRATION anywhere?

# Warning!!!

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Using ADMINISTRATION or BUILDING or DEBT or INFRASTRUCTURE as a Category will...

**UNDERMINE** the impact  
of this ministry resource  
and render your efforts ineffective!!!

We BEG you. Don't go there!

# EXCEL: Percentage Columns

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- Create a column for each category. Format cells as percentages.
- Distribute pastoral costs by percentage of time across categories.
- Distribute percentages of line items into category columns. Some will be easy!

*i.e. Sunday School supplies to Education*



A pastor might spend their time in this manner:

- 30% on Worship
- 15% on Education
- 10% on Mission
- 10% on Fellowship
- 20% on Pastoral Care



This distribution will inform other expense lines.  
Building usage may impact some expenses.

# Avoid the Accuracy Trap

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- Detailed accuracy is less important than being descriptive, educational and inspiration!
- Accept that the results will have a positive impact on donors even when based on some generalizations.



# Example...

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Worship & Music		\$4,500
Education/Spiritual Formation		\$6,000
Mission		\$28,000
Membership - Small Groups		\$2,000
Pastoral Compensation		\$76,000
Staff Parish - Other		\$56,000
Property		\$93,932
Programs & Communications		\$8,000



# Percentage Allocations

		Worship	Education	Mission	Fellowship	Pastoral Ca
<b>Worship &amp; Music</b>	<b>\$4,500</b>	<b>100%</b>				
<b>Christian Ed/Spiritual Formation</b>	<b>\$6,000</b>		<b>100%</b>			
<b>Mission</b>	<b>\$28,000</b>			<b>100%</b>		
<b>Membership - Small Groups</b>	<b>\$2,000</b>				<b>100%</b>	
<b>Pastoral Compensation</b>	<b>\$76,000</b>	<b>35%</b>	<b>20%</b>	<b>10%</b>	<b>10%</b>	<b>25%</b>
<b>Staff Parish - Other Staff</b>	<b>\$56,000</b>	<b>40%</b>	<b>25%</b>	<b>15%</b>	<b>15%</b>	<b>5%</b>
<b>Property - all costs</b>	<b>\$93,932</b>	<b>25%</b>	<b>30%</b>	<b>15%</b>	<b>20%</b>	<b>10%</b>
<b>Programs &amp; Communications</b>	<b>\$8,000</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	
<b>Total</b>	<b>\$274,432</b>					

# Ministry Category Totals!

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Add another set of ministry category columns

Multiply the percentage column by the budget line item amount

Total ministry categories columns

Column totals are ministry category totals

# Percentages for Narrative

		Worship	Education	Mission	Fellowship Care	Pastoral
Worship & Music	\$4,500	\$4,500	0	0	0	0
Christian Ed/Spiritual Formation	\$6,000	0	\$6,000	0	0	0
Mission	\$28,000	0	0	\$28,000	0	0
Membership - Small Groups	\$2,000	0	0	0	\$2,000	0
Pastoral Compensation	\$76,000	\$26,600	\$15,200	\$7,600	\$7,600	\$19,000
Staff Parish - Other Staff	\$56,000	\$22,400	\$14,000	\$8,400	\$8,400	\$2,800
Property - all costs	\$93,932	\$23,483	\$28,180	\$14,090	\$18,786	\$9,393
Programs & Communications	\$8,000	\$2,000	\$2,000	\$2,000	\$2,000	0
<b>TOTAL</b>	<b>\$274,432</b>	<b>\$78,983</b>	<b>\$65,380</b>	<b>\$60,090</b>	<b>\$38,786</b>	<b>\$31,193</b>

29%

24%

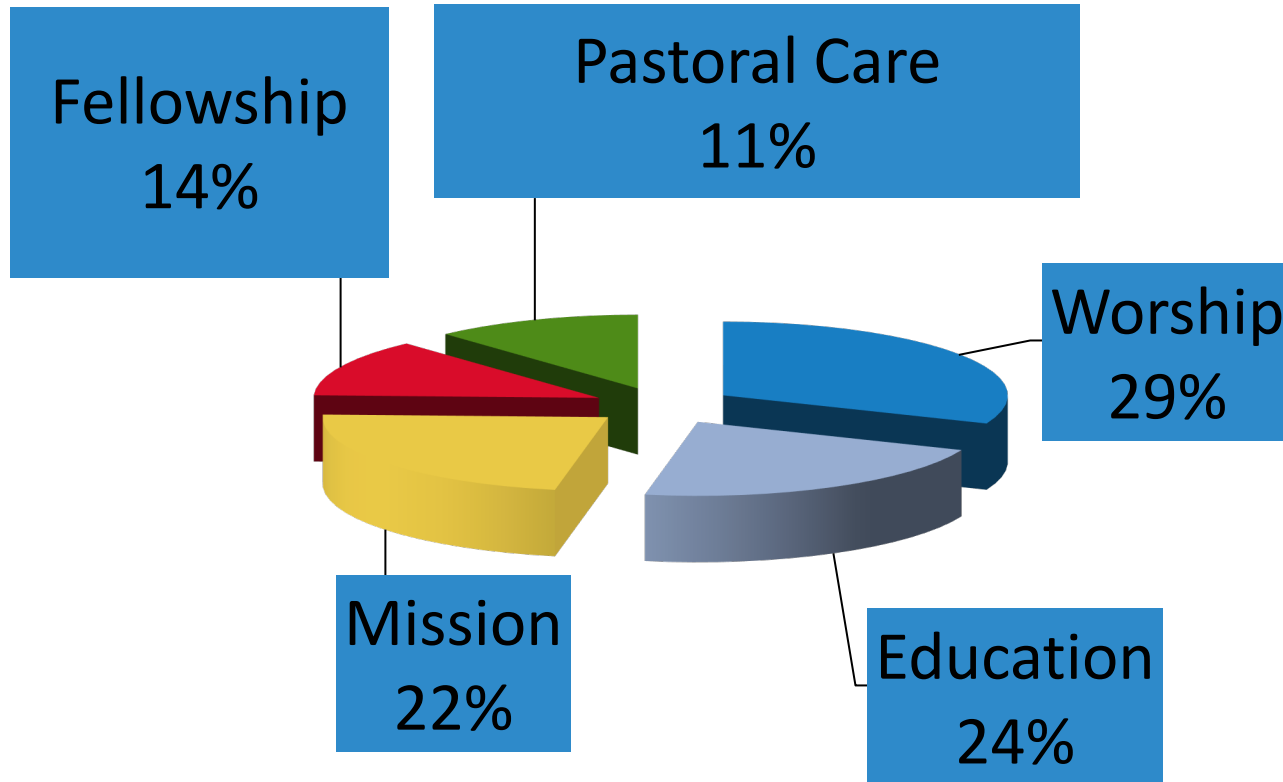
22%

14%

11%

# Select Category Totals to Create a Pie Chart

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# Givers Can Translate Their Giving...

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- 11 cents of every dollar I give goes to Pastoral Care
- 22 cents of every dollar I give goes to Mission

The pie chart can lead to  
**congregational**  
**self-evaluation and affirmation!**

# Tell the Story

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Share a description  
and stories about  
the ministry  
categories



# Pastoral Care Narrative

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- Taking communion to three local nursing homes each month
- On call at two local hospitals and follow up care for parishioners recovering from illness and surgery
- Preparation with the members for baptisms and weddings.



# Sacred Stories

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Kristen is a young mom new to the community. Her family is over 300 miles away. She has been having a difficult time with her children and the public schools. Her mother was badly hurt in a car accident last month and Kristen misses home and wants to find some part-time work. She walked in off the street last Wednesday morning and she found a friendly ear in the church office. She feels comfortable with the pastor and has come to church the last few Sundays feeling like she is beginning to create a new “family” here in this community.



# Get the Story Out...

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- Church Newsletter
- Bulletin Inserts
- Church Website
- Stewardship Mailings
- Narrative Budget Booklets
- Personal Contact
- Include in Prayers

# Worship Narratives

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- Put a bulletin insert out each week for six weeks highlighting a different category of ministry
- Pray for that ministry
- Tell a specific story of a person being touched by that ministry

# Add a Time and Talent Option

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- Additional data can illustrate volunteer hours which supplement financial gifts
- Parishioners get a sense of how vital and vibrant the local church is when looked at in the context of time contributions

# Volunteer Time Calculation Example

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## Sunday Morning Worship

- Greeters, Fellowship Hosts/coffee makers – four to eight persons,  $8 \times 1.5$  hours = 12 hours
- Liturgists, communion servers, counters, ushers,  $10 \times 1.5$  hours = 15 hours
- Choir – ten members  $\times$  2 hours of worship and 2 hours of practice time = 40 hours
- Almost 70 hours of servant time in one week  $\times$  52 weeks = 3,640 hours of time given for Sunday morning worship alone!

# In an average size church

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When all ministries are considered, a reasonable estimate is 10,000 – 15,000 volunteer hours per year

That's a significant impact on any local community!!

# A Few Recommendations...

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- Experiment with leaving line item budget in church office
  - Take only Narrative Budget to your Church Council
- Keep five copies of the completed line item budget available in the church office
- Be determined to talk about money and ministry in a new way

# The Process Continues...

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- Quarterly review, update and expand upon stories and talent recognition
- People will begin to think of church ministry funding as ministry!

“Giving doesn’t just make a difference,  
it can make ALL the difference!”

# Keys to Success

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- Be prayerful
- Celebrate your church
- Be visionary
- Communicate
- Involve many
- Fund ministry, not raise funds
- Be inviting, not threatening
- Challenge your congregation



**SESSION**

**The Reverend Morgan Morse Hay, Moderator**  
**Alice Hamilton, Clerk of Session**

**RULING ELDERS**

**Mary Chapman**  
**Susan Piraino**  
**Beth Dawkins**  
**Iola Snow**  
**Phil Hamilton**  
**Dale Phenicie**

**DEACONS**

**Jim Stroup, Moderator**  
**Elizabeth Hiatt, Secretary**  
**Carolyn Sloan**  
**Bob Rogers**  
**Elyse Scholl**  
**Ted Mack**

**STAFF**

**Morgan Morse Hay, Pastor**  
**Alana Vines**  
**Pam Weir**  
**David Stivers**  
**CJ Utt**  
**Mary Dawkins**  
**Bill Pasch**  
**Susan Scheuer**



**First Presbyterian Church**  
206 Willow Bend Road  
Peachtree City, GA 30269  
770-487-7757



First Presbyterian Church (FPC) of Peachtree City seeks to serve Christ with a lively and loving faith in the strong tradition of the Presbyterian Church (USA). FPC uses the resources that God has graciously given us to carry out the mission and ministry to which we have been called. God expects us to be good stewards, plan wisely, and generously share God's story and our faith with everyone we meet.

This narrative budget seeks to reflect not only the costs behind what it takes to run our mission and ministry, but also the story behind the success of our programs and the difference that they make in our church and community. With our monetary gifts, we seek to share the good news of the Gospel to all of God's children through our mission and ministry.

## Pastoral Care

2014 Proposed.....\$90,505



Pastoral Care is the area of our ministry that is responsible for caring for all persons in good times and difficult times. Our Pastoral Care includes hospital and home visits, communion for shut-ins, meals for new parents, a ride to church or an appointment, sending a note to someone in need, holding each other in prayer, lending an ear to a friend, and so much more. These functions are the primary duties of the Pastor, Deacons and Stephen Ministers; however, each member is charged by Jesus to "love one another as I have loved you."

## Worship and Music

2014 Proposed.....\$174,102

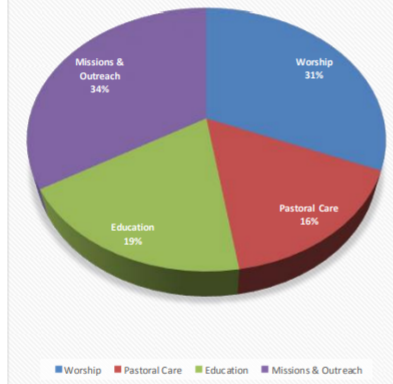


FPC welcomes all persons to worship with us in a traditional setting that strives to preserve the history, music, and liturgy of the PC(USA). Each Sunday we proclaim the Good News of Jesus Christ and his saving grace in an encounter that is relevant to our modern understanding of scripture and applicable to our daily lives. Special worship services are conducted throughout the church year including Ash Wednesday, Advent, Good Friday, Easter, and Christmas Eve. Communion is offered on the first Sunday of each month and baptism is arranged as requested. Children are encouraged to participate in the worship service.

There is a Children's time for those age 8 and under with a ministerion by the pastor after which they may attend Children's Church; a program which continues their learning experience through Bible stories and creative projects.

## First Presbyterian Operating Budget by Category

\$556,882



\*\*A detailed line item budget is available upon request in church office. Please see Alana Vines.\*\*

## Missions & Outreach

2014 Proposed.....\$186,563



Gifts to Missions, both locally and around the World, has always been a priority at First Presbyterian.

Our local missions include:

- Welcome House
- Promise Place
- Thornwell Children's Home
- Fayette Samaritans
- Healing Bridge Clinic
- Calvin Center
- First Presbyterian Pre-K

Our global missions include:

- PCUSA Global Missions
- Shelvis & Nancy Smith-Mather in South Sudan
- Presbyterian Homes
- PCUSA Disaster Relief
- Operation Christmas Child

## Presbyterian Women



Presbyterian Women seek to carry on the work begun by the faithful women who went before. The purposes of nurturing faith through prayer and Bible study, by supporting the church worldwide, and working for justice and peace continue today. We actively participate in local and worldwide mission projects.

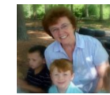
At First Presbyterian Church four circles meet monthly.

## Martha Ministry



The Martha Ministry, founded on the principles of service and hospitality, is dedicated to helping those in need, which may include birth, illness, or the death of a loved one.

## Pre-school & Kindergarten



First Presbyterian Kindergarten school is a mission of the church responsible to the Session. We have a great faculty of 30 teachers, and support staff. We have 15 classrooms from toddler age through kindergarten. In addition to the classroom we offer music, library, creative (Fun-time), Spanish, and chess. Presbyterian Kindergarten offers a learning environment where God is expressed and shared with children.

## Summer Lunch Program



The Summer Lunch Program is an outreach staffed entirely by volunteers helping those children that are on free or reduced lunch programs. Nutritious lunches are packed daily and hand delivered to families in need.

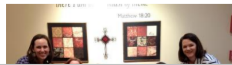
## Stephen Ministers



Trained lay persons provide one-on-one care during times in a person's life. Volunteers are available Sunday following worship for a listening ear, open to a willingness to pray and help in need.

## Christian Education

2014 Proposed.....\$105,713

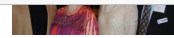


service.  
There is a Children's time for those age 8 and under with a mini-sermon by the pastor after which they may attend Children's Church; a program which continues their learning experience through Bible stories and creative projects.

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Sunday following worship with a listening ear, open heart, and willingness to pray with those in need.

### Christian Education

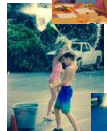
2014 Proposed.....\$105,713

Our weekly Sunday School classes are designed around Bible Study and spiritual growth. There are classes for all ages from nursery through senior adults.

The Children's Ministry provides childcare for infants and toddlers and Sunday School classes for preschoolers through grade 6. We also provide opportunities for spiritual growth for families by hosting Parents' Night Out, a Fall Festival, an Easter event, and Vacation Bible School.

The Youth Ministry reaches out to youth of all ages interested in growing their faith by learning the foundations of the Bible and enjoying fellowship with each other in fun settings. Mission trips and retreats are being planned for the future.

The Adult Ministry hosts Bible study and topical studies for adults of all ages. Everyone is encouraged to participate as we learn and are spiritually enriched by Bible study, the curricula text, and shared experiences.



# Free Resources from the Presbyterian Foundation

1. Stewardship Navigator
  - Launched April 2019
  - Planned Giving Module added July 2020
  - Narrative Budget Generator Included
  - [www.stewardshipnavigator.com/](http://www.stewardshipnavigator.com/)
2. Church Financial Leadership Academy
  - Many topics including Narrative Budget
  - [www.churchfla.com](http://www.churchfla.com)
    - Register using code: PCUSA
3. Stewardship Kaleidoscope
  - 2022 In-Person or Virtual
  - For more information  
[www.stewardshipkaleidoscope.org](http://www.stewardshipkaleidoscope.org)
4. Day of Learning Recordings  
<https://www.presbyterianfoundation.org/resources-from-presbyterian-foundation-day-of-learning-2021/>
4. Various Workshops from your MRO





IS OUR VISION  
WE CAN HELP.

## Seminars/Workshops/Webinars/Consultation

- **Culture of Generosity** Begin the conversation
- **Leadership** Vital for building a culture of generosity
- **Pastoral Challenges in Stewardship** How to deal with the issue of stewardship and talk about money effectively
- **Visioning** Money follows vision. Vision and core-values are essential
- **Narrative Budget** Budget should speak your vision
- **Generational Giving** Learn to approach giving across generations
- **E-Giving** Ways to give are quickly changing
- **Build an Endowment** Help people give in perpetuity for future ministry
- **Planned Giving** Leaving a legacy to the next generation
- **Investments** Understanding the various investment options available through the Presbyterian Foundation, PCUSA
- **Consultation** Meet with individuals and groups regarding finance, stewardship best practices, giving trends today, how to build a year-long program, inspire and build a spiritual discipline for giving

## Reverend Dr. Rose Niles

*Ministry Relations Officer, NE  
Region Presbyterian Foundation*

As a life-long Presbyterian, Rose loves working with churches and individuals to help them flourish and further the mission of Christ.

Rose helps cultivate generosity through seminars, workshops, legacy programs, creating fundraising plans, nurtures gift development, and provides finance coaching .



# Let your budget Speak your Vision

Questions and Comments



# Presbyterian FOUNDATION



The Rev. Dr. Rose Eileen Niles  
Ministry Relations Officer for the Northeast  
7 Marion Ct.  
Middletown, NY 10941  
845-326-6501 / 833.461.2307 (toll free)  
[Rose.Niles@PresbyterianFoundation.org](mailto:Rose.Niles@PresbyterianFoundation.org)