

BUILDING A LOCAL CHURCH ANNUAL BUDGET A SUGGESTED MODEL

Local church budgetary process is an opportunity for the pastor and leadership of the church to work together, with results that are far reaching.

The creation and adoption of the budget has many potentials:

1. a planning opportunity
2. an evaluation opportunity
3. a teaching opportunity
4. a theological reflection opportunity
5. a stewardship opportunity
6. the development of a critical financial tool

The Finance Committee has four tasks:

1. Design budget format for the next year and request financial projections from all committees, groups, and leaders.
2. Organize the projections when they are received (without editing), compiling the budget for the next year.
3. Present the budget to the Church Council.
4. With the Church Council, design and implement (and delegate) a process to receive estimates of giving.

The Church Council has four tasks:

1. Attain consensus on budgeted amounts for each request.
2. Delegate responsibility for interpreting the budget to the congregation.
3. With the Finance Committee, design and implement (and delegate) a process to receive estimates of giving.
4. Lead the congregation in the celebration of completed process.

Although budgets may be complex, the following is a minimum standard:

Note: Titles for categories and sub-categories are suggestions only. Liberal use of sub-totals will allow the congregation and leadership to quickly see the proportion of disbursements that are being utilized for "maintenance" and for "mission." Comparison of projected total income and total disbursements will enable the congregation to move forward in faith and confidence.

Sample Basic Budget Template

Present Budget YTD

New Year's Budget

Income*

- Pledges/Estimates of Giving
 - Cash Sunday Offering
 - Fund Raising Projects
 - Interest Income
 - Building Use Income (¶12539)
 - Other

TOTAL Income

Disbursements*

- Conference Apportionments
 - World Service & Conf. Ben.
 - Episcopal Fund
 - Equitable Compensation
 - Retiree-Disable-Widow
 - Conf. Health Plan
 - Dist. Superintendent Fund
- Conference Services
 - Education Fund
 - Church Extension
 - Ministerial Education
 - General Connection
- Interdenominational Coop.
 - Black College Fund
 - Africa University Fund
 - MPP/CPP
 - Other (specify)
 - Other (specify)
- District Apportionments
 - District Budget
 - District Missions
 - Other (specify)
 - Other (specify)
- Operating Expenses
 - Telephone
 - Utilities
 - Office Supplies
 - Insurance
 - Internet access
 - Other (specify)
- Program Opportunities
 - Nurture
 - Outreach
 - Worship
 - Other (specify)
- Pastoral/Staff Support
 - Pastor Base Salary
 - Accountable Reimbursement
 - Continuing Education, Pastor
- Parsonage Heat
 - Other Staff Salaries
 - Other Staff Social Security
 - Other (specify)
- Mortgage Payments
- Other (specify)
- TOTAL Disbursements