

DOING MORE WITH LESS



Budgeting Seminar

American Baptist Churches of New York State

Presented by Jim Kelsey





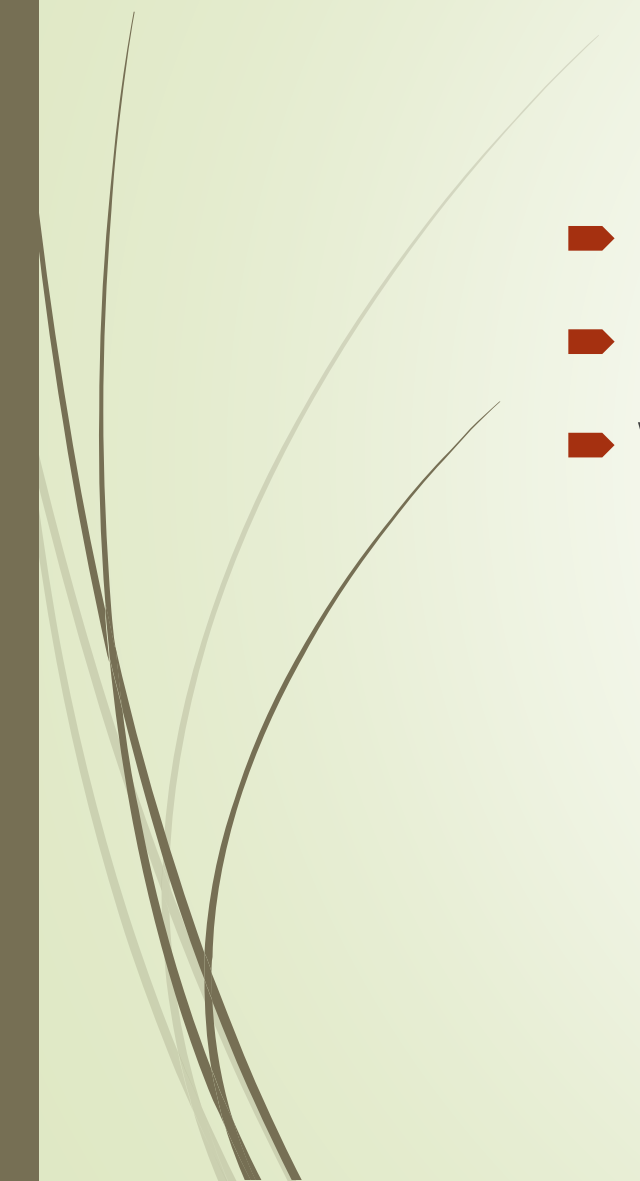
WHAT IS OUR COMMON PRACTICE?

- ▶ Look at what we spent last year
- ▶ Look at how much we expect to receive this year
Get pledges
- ▶ Match expenses to expected income
- ▶ Lay out the untouchable things & cut all else
- ▶ If they don't match we go back & ask for a bigger commitment "Go the second mile"

Is this your story?



DO YOU ENJOY THIS? IS THIS LIFE GIVING?

- ▶ Need driven
 - ▶ Institutionally based
 - ▶ Would you like a process that is...
 - ▶ Purpose driven?
 - ▶ Fosters our growth as disciples?
 - ▶ Builds upon generosity and gratitude?
 - ▶ Celebrates & raises up the ministry that God has given to your congregation?
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WHAT WE ARE NOT TALKING ABOUT HERE but MUST MENTION: *STEWARDSHIP*

- Stewardship is not primarily about fundraising...It is about discipleship
- We are talking about budgeting
- Budgeting is a piece of the larger practice of stewardship
- Any budgeting process that does not reflect the broader mentality of stewardship and discipleship will have a hollow ring
- A resource

Ecumenical Stewardship Center: <https://stewardshipresources.org/>

Stacy Emerson, Stewardship Facilitator

Mission Resource Development

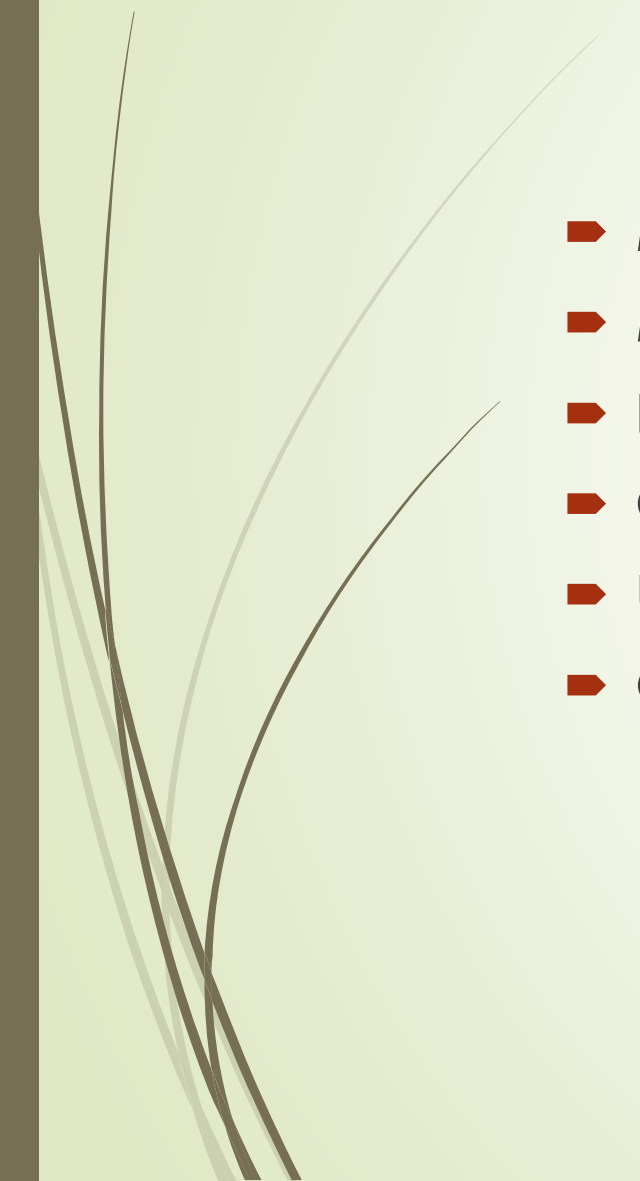
American Baptist Churches USA

Phone: (800) 222-3872 x2010

<http://www.generousdisciples.org>

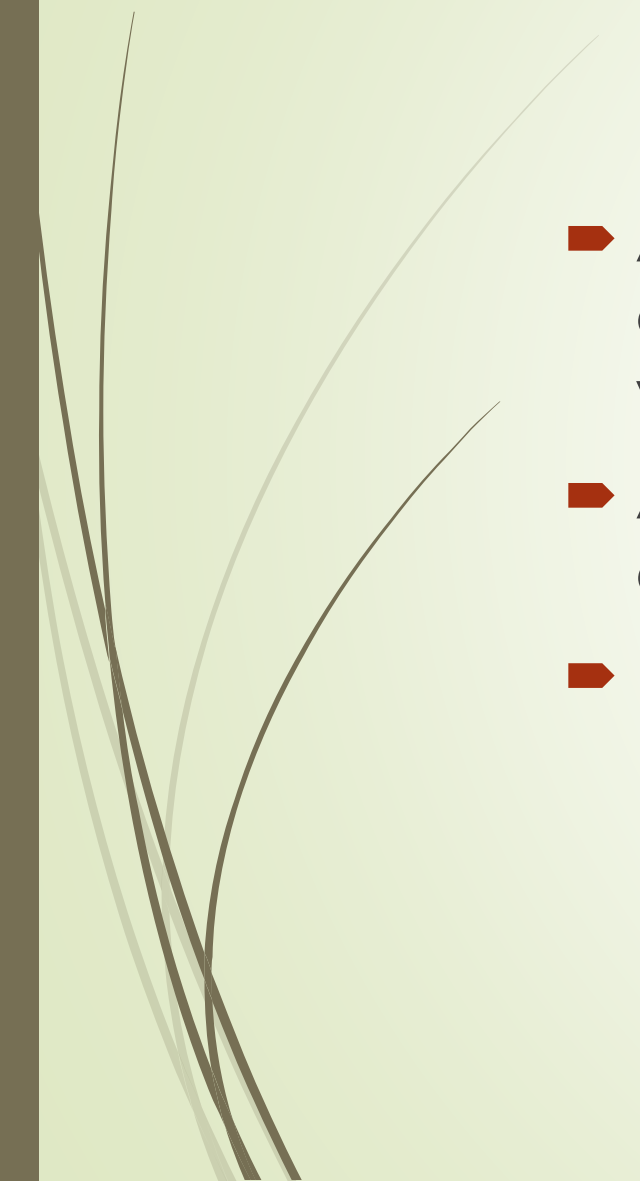


WHAT IS THE PURPOSE OF A BUDGET?

- Make sure we stay within our means
 - Monitor our progress with our plan as the year unfolds
 - Help people plan their ministry activities
 - Control spending
 - Use as a tool or as a weapon
 - Other uses?
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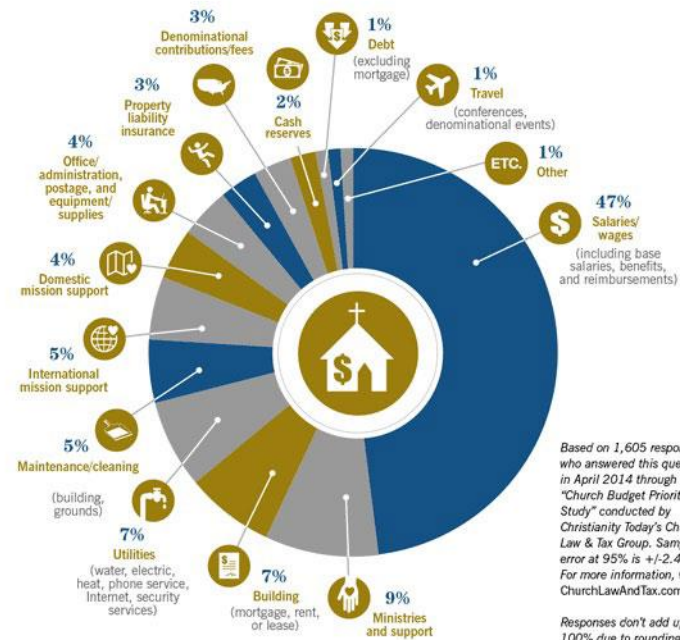


WHAT IS A BUDGET?

- ▶ A deliberate systematic plan for embracing the ministry opportunities that God has set before us in the coming year
 - ▶ Answers the question: How will we fund the *financial* elements of this plan?
 - ▶ Involves choices: Leaving behind the good for the great
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HOW DO OTHER CHUCHES SPEND THEIR MONEY?

HOW CHURCHES SPEND THEIR MONEY



Based on 1,605 respondents who answered this question in April 2014 through the "Church Budget Priorities Study" conducted by Christianity Today's Church Law & Tax Group. Sampling error at 95% is +/-2.45%. For more information, visit ChurchLawAndTax.com.

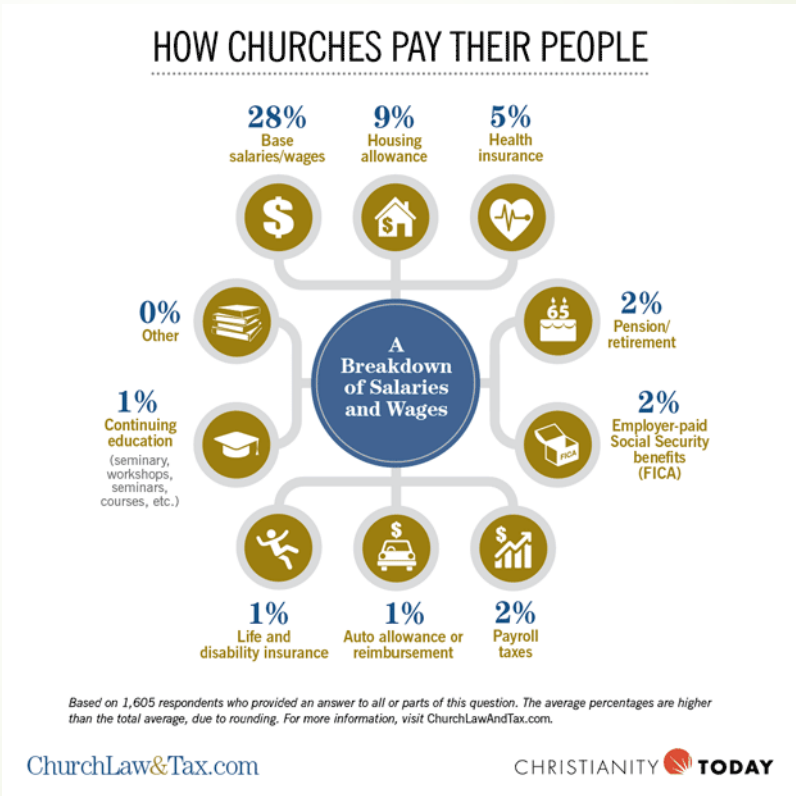
Responses don't add up to 100% due to rounding.



HOW DO OTHER CHURCHES SPEND THEIR MONEY?

- ▶ People are the largest expense—on average 47%—
Ministry is labor intensive
 - ▶ As the size of the church increase, the percentage that goes to salaries increase as well
 - ▶ Less than 200 in worship: 45%
 - ▶ 200-499 in worship: 48%
 - ▶ 500 to 999 in worship: 49%
 - ▶ 1000 or more in worship: 50
- ▶ Property is a distant second at 22%

HOW DO OTHER CHURCHES PAY THEIR PEOPLE?



TWO WAYS OF DOING A BUDGET THAT ARE NOT SO DIFFERENT

➤ A Testimony Budget

or

➤ A Narrative Budget

Both raise questions of:

1. Purpose
2. Priorities
3. Pose the “Why” question





The *TESTIMONY BUDGET*—Putting it Together

- ▶ STEP 1: Construct a regular income & expenditure budget
- ▶ STEP 2: Define a set of ministry goals consistent with your purpose & ministry plan for the next year
 - ▶ Cannot clearly define these?...This is an opportune moment to give them some thought
- ▶ STEP 3: Distribute the expenditures from Step 1 to the categories of Step 2. (Page 5 of handout)



The *TESTIMONY BUDGET*—Sharing it with Your People

- STEP 4: Identify Witnesses & Gather Testimonies
 - People who have been touched by these ministries or people who have participated in them
- STEP 5: Ask for Support
 - Need Approach is least effective
 - Commitment Approach more effective
 - Abundance Approach is most effective
- STEP 6: Put it all Together & Frame the Presentation
 - Explain the approach to people
- STEP 7: Promote it in Various Ways & Mediums



The *NARRATIVE BUDGET*—Telling Your Church's Story

Another Way to the Same Place

- STEP 1: Clarify Organizational Priorities
 - What business are we in?
- STEP 2: Establish *Key Ministry* Priorities that Undergird Your Broad Organizational Priorities
 - Always asking: Why are we doing this?
- STEP 3: Allocate Your Costs Among these Key Ministry Priorities Using Percentages
 - Units may not divide cleanly
 - Staff time into morning, afternoon, or evening units
- STEP 4: Describe the Activities & Desired Outcomes in Each Category



The *NARRATIVE BUDGET*—Telling Your Church's Story

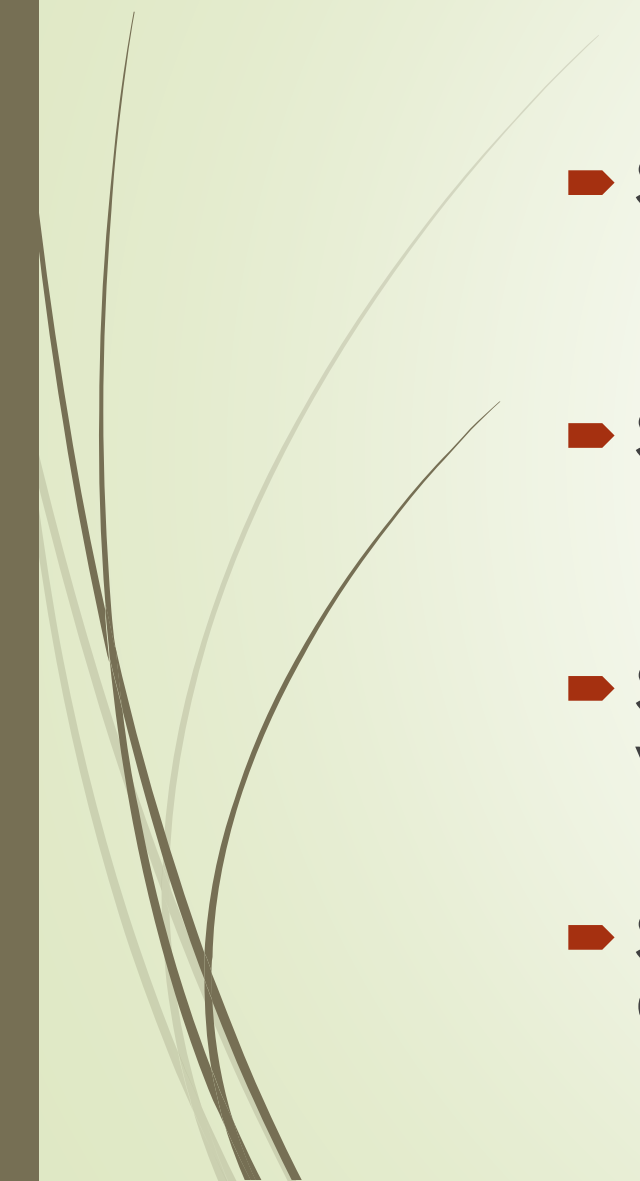
Another Way to the Same Place

STEP 5: INTEGRATE IT INTO THE BROADER RHYTEM OF YOUR CONGREGATIONAL LIFE

- Share Testimonies About These Key Ministry Priorities
- Identify an Overarching Theme(s) or Goal(s) for the Coming Year
 - Show how these key ministry priorities will contribute to that theme or goal
- Share the Results of Past Ministries by Providing Quotes or Stories
 - See example handout



TESTIMONY BUDGET & NARRATIVE BUDGET: SAME GOAL

- STEP 1: Set Priorities...Make Some Choices
 - Choosing Great over Good
 - STEP 2: Think Through Your Church's Ministry
 - Ask the Why? Question
 - STEP 3: Connect Church Activities with Your Purpose & with Desired Outcomes
 - STEP 4: Allocate your Limited Resources to the Most Compelling & Redemptive Ministries
- 



THE DANGER OF THESE BUDGETS: *ANXIETY*

They Will Raise a Different Set of Questions:


- Purpose, Identity, Mission
- What the Future Will Look Like
- Where Does Power Lie in Our Congregation

They May Pull Some New Voices into the Conversation

- Set Finances in the Broader Context of Ministry & Calling

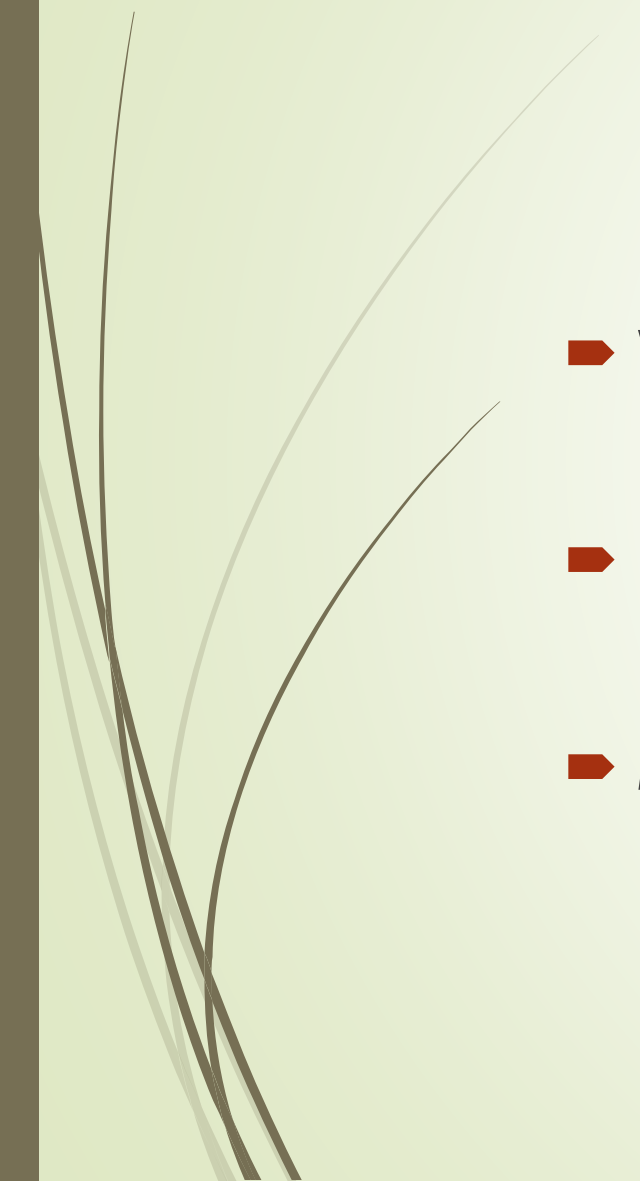


SUMMARY: ESTABLISHED BUDGETING VERSUS INTENTIONAL BUDGETING

- ▶ Diana Butler Bass, *The Practicing Congregation*, pp. 82-84:
 - ▶ Established churchgoing: Traditional part of life in this place
 - ▶ Intentional churchgoing: Think about what & why a person goes to a church and how that relates to other parts of one's life.
 - ▶ Established Budgeting: This is the way we have always done it...This is the way our ministry has always looked...These have always been our priorities.
 - ▶ Intentional church Budgeting: Why are we doing this or that? Are we doing the right things?
- 



WILL IT PLAY IN THE FINGER LAKES?

- 
- ▶ What of this will be useful in your congregation?
 - ▶ How will you need to adapt it?
 - ▶ Make things better or worse?