

Diocese of Ontario

NARRATIVE BUDGETS

The Vestry and Stewardship Committee (where one exists) need an effective tool for showing church members how their giving supports mission. Too often, they have only the church's line-item budget to use for this purpose. Although a line-item budget keeps track of church income and expenses, it reveals little about how a congregation's mission is funded. However, a narrative budget shows the purposes and goals of the congregation and focuses attention on mission and ministry.

A narrative budget shows what ministries were supported by the previous year's offerings and also shows how the vestry is budgeting resources to carry out the congregation's mission. It helps the vestry demonstrate its accountability to the rest of the membership so that its accountability inspires trust, and trust inspires commitment. When church members see that the ministries they make possible are continuing Christ's work in the world, offerings increase.

Also, the narrative budget reminds the congregation that the church's leaders manage the ministry resources. For example, some expenditures in church budgets – such as salaries and utilities – are commonly considered fixed, contracted expenses. Sometimes, the congregation sees these so-called fixed expenditures in the line-item budget as overhead expenses and identifies “real” ministries with expenditures for church school supplies and various social programs. The narrative budget clarifies that every budget expenditure affects ministry. The people give offerings to support the ministries of the church. Thus, each ministry carries out the overall mission of the church.

Three great benefits are derived from a narrative budget:

- Demonstrates that most congregations are very cost effective.
- Identifies not just contributions of treasure, but those of time and talent as well.
- Heightens awareness in the congregation of the diversity of ministry presently taking place.

Many of our parishes are already producing narrative budgets on an annual basis because they see the difference between a line-item budget and one that brings the ministry of the church community to life. Some individuals make the connection between their giving and the needs of the church on their own and increase their support accordingly. However, without its presentation within the context of a year-round giving campaign, the true potential to increase giving may be lost.

A good narrative budget should include information that reflects:

- Parish Mission Statement.
- The Big Picture.
- The Parish's Mission Priorities – Worship, Outreach and Christian Education.
- Tells the story about how lives have been changed.

Training, resources and templates are available to all congregational leaders in the Diocese of Ontario to help facilitate the development of your own narrative budget. For more information you may contact Doug Cowley, Chair of the Stewardship and Congregational Development Committee at dcowley@ontario.anglican.ca.