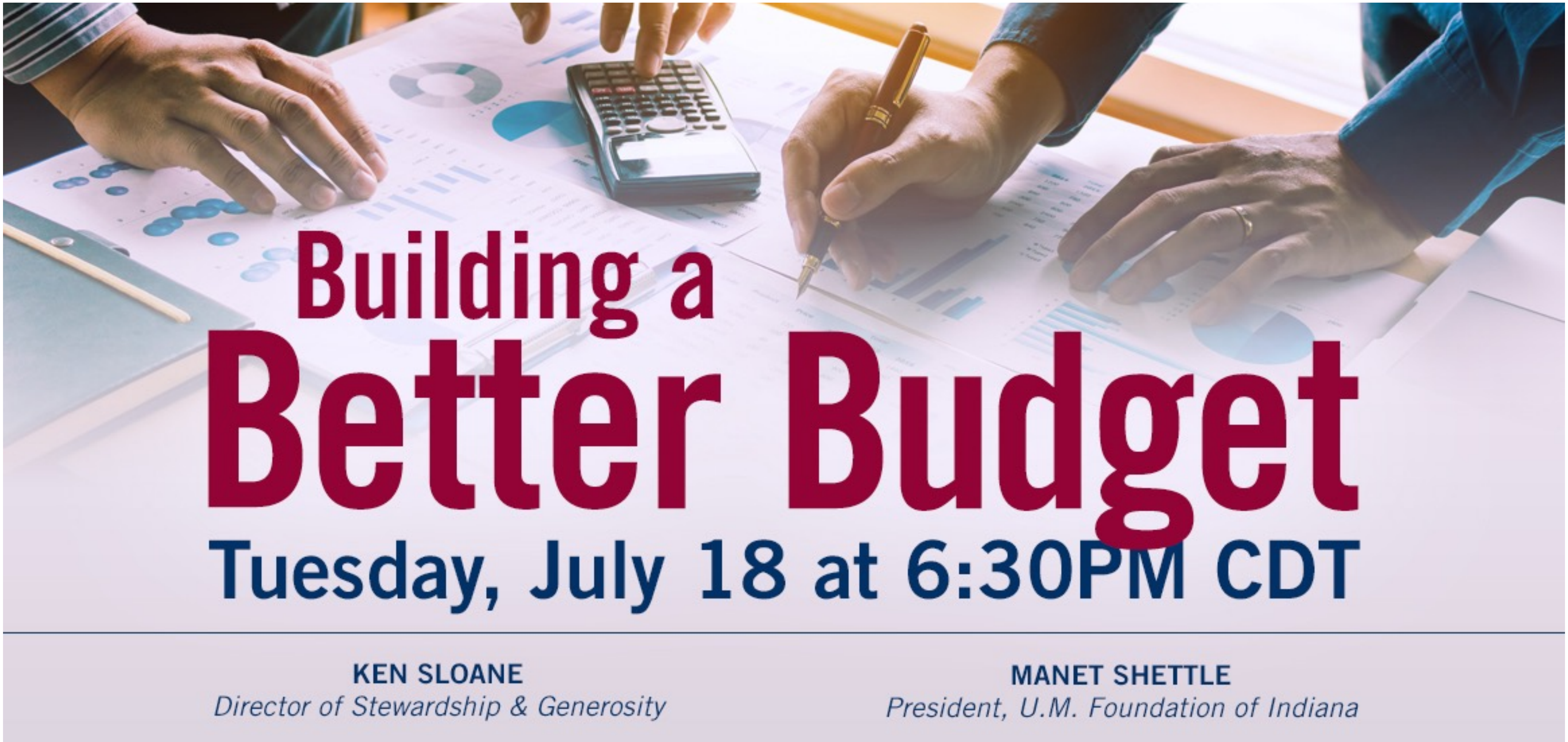
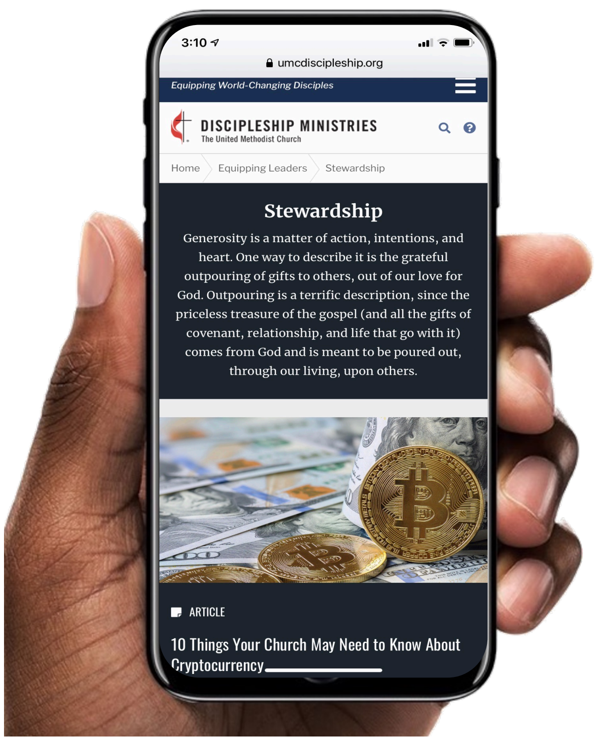


United Methodist FOUNDATION Of Indiana

DISCIPLESHIP MINISTRIES
The United Methodist Church

STAY CONNECTED!

umcdiscipleship.org/stewardship

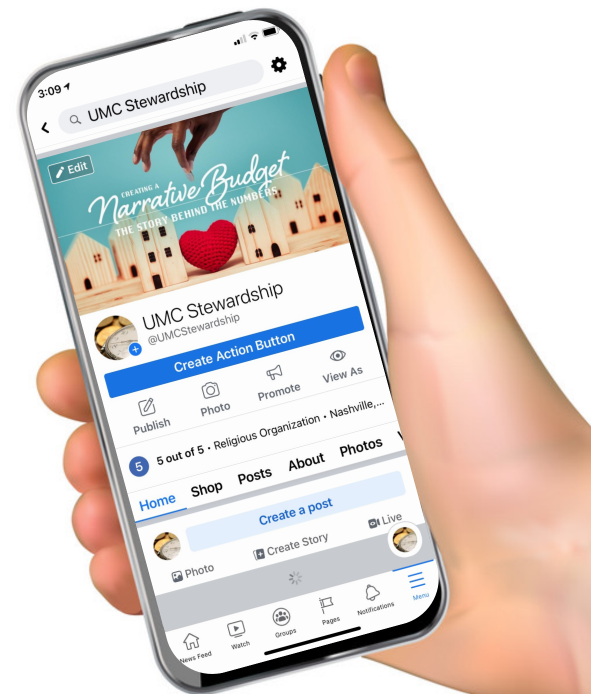


UMCstewardship

@UMCstewardship

@UMCstewardship

ksloane@umcdiscipleship.org



Introducing Manet Shettle

United Methodist
FOUNDATION
Of Indiana

- President, U.M. Foundation of Indiana
- President, IN U.M. Loan & Savings Ministry
- Former Indiana Conference Controller
- Former District Lay Leader
- Current Lay Leader of her local church

FOUNDATION

Stewardship is a **spiritual discipline** and is about our **relationship to God** and how we use our resources to serve God.

Often an increase in financial resources is a by-product of the development of faithful Christian stewards.

FOUNDATION

Purpose of detail budget

- Set ministry priorities
- Provide leadership tools for management
- Establish accountability metrics

PROCESS

1. **Zero based budgeting**

2. **Utilize the Ministry Action Plan**

3. **Identify all resources**
   1. Budget
   2. Endowment
   3. Restricted Gifts
   4. Fund raisers

4. **Balanced budget**
   1. Budget Income
   2. Budget Expense

PROCESS

Zero based budget process:

1. **Everything starts with $0**
2. **Begin estimate using income/expenses from last year.**
3. **Refine the estimate based on new information**
    1. Increased/decreased costs
    2. Changes in ministry plan
    3. Impact of external situations

PROCESS

EXAMPLE UNITED METHODIST CHURCH
(CHURCH VISION)
2022 MINISTRY PLAN

COMMITTEE OR TEAM ____

Ministry Activity to support the Church Vision	Expected Results	Date Scheduled	Priority	RESOURCES NEEDED Human	 Financial

Committee Chair Signature

PROCESS

United Methodist Church 2022 Budget Worksheet (Example)

Account Name: ____ **Committee:** ____________________________________

PY Budget : __________________________ **Stewardship Team Member:** ________________________

Your Group's Vision/Mission Statement (Why does your group exist?/What does your group do to support the Vison/Mission of AUMC?) :

S.M.A.R.T. Goals for 2022 to Contribute to UMC's Mission/Vision(What by When by How Much):

2022 Budget Development

	$ Projected	$ Cumulative
Projected Designated Income for 2022:		
		0
		0
Projected Expenses for 2022:		
Prioritize from Most Urgent to Least Urgent. Be as specific as possible.		
Narrative Description		0
		0

Approved 2022 Budget:

Monthly Budget Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Totals:
Income:													
Expenses:													

Dreaming and Worse Case Scenario:

Unfinanced Requirements: If you could get an additional 10% added to your budget, what would you like to do?

Financed but lowest priority; If you had to give up 10% of your budget, what would you not do?

PROCESS

1. Each budget section should have a team responsible for oversight.
2. Each section should provide enough detail for the team to manage their ministry area.
3. Budget all income and expense.
4. Utilize a ministry action plan form.
5. Begin with a zero-based budget.

PROCESS

- Staff Parish
  - Staff compensation
  - Employee benefits
  - Payroll taxes
  - Training
  - Contract labor
  - Office Supplies
  - Administration
  - Annual Conference
- Outreach
  - Visitor Care
  - Advertisements
  - Community Engagement
  - Seasonal Activities
  - Mission Support

PROCESS

- **Finance**
  - Stewardship
  - Tithe
  - Bank fees
- **Trustees**
  - Utilities
  - Rent & Leases
  - Insurance
  - Mortgage
  - Maintenance & Repairs
- **Congregational Care**
  - Worship supplies
  - Music supplies
  - Instrument maintenance & repair
  - Small Group supplies
  - Youth Group
  - Children's Worship
  - VBS
  - Leadership Development

EXAMPLE BUDGET

INCOME		202,950
INCOME SUBJECT TO TITHE		
Tithe & offerings	100,000	
On-line tithes	50,000	
Loose offering plate	12,250	
Rent	5,000	
Fund Raisers	5,000	
Altar Flowers	2,700	
Interest	1,000	
TOTAL TITHE INCOME	175,950	
OTHER INCOME		
Special Offerings	14,000	
Registration	10,000	
Restricted Purpose Income	3,000	
TOTAL OTHER INCOME	27,000	
TOTAL INCOME	202,950	

EXAMPLE BUDGET

EXPENSES		**204,635**
CONGREGATIONAL CARE		4,200
Children's Worship Service	1,000	
Worship & music supplies	700	
Adult Education	700	
Children's Ministries	500	
Youth Ministries	700	
Devotional	100	
Library	100	
Leadership Development	400	
TOTAL CONG. CARE	4,200	
FINANCE		21,405
Tithe	19,355	
Bank & online fees	850	
Stewardship campaign	1,200	
TOTAL FINANCE	21,405	

ANALYSIS

1. **Analyze distribution of budget**
   - Benchmarks by % of budget
     - Staff 45% - 55%
     - Facility 20% - 30%
     - Programs 10% - 20%
     - Missions 15% - 20%

2. **Communication**
   - Distribute monthly detail budget expense comparisons to leadership
   - Provide narrative budget to congregation

COMPARE

1. Ministry goals on Ministry Action Plans.
2. Current income & expenses to current budget.
3. Current income & expenses to prior year actual.

Adjust the budget as needed throughout the year.

EXAMPLE COMPARISON INCOME STATEMENT

INCOME	Annual Budget	YTD Budget	Income for August	YTD Income	Prior Year YTD Income
INCOME SUBJECT TO TITHE					
Tithe & offerings	100,000	66,667	8,333	65,123	43,867
On-line tithes	50,000	33,333	4,167	38,294	42,965
Loose offering plate	12,250	8,167	1,021	7,553	3,680
Rent	5,000	3,333	417	3,333	3,267
Fund Raisers	5,000	3,333	0	0	1,546
Alter Flowers	2,700	1,800	225	1,925	662
Interest	1,000	667	83	600	653
TOTAL TITHE INCOME	175,950	117,300	14,663	116,828	96,640
OTHER INCOME					
Special Offerings	14,000	9,333	1,167	13,000	9,147
Registration	10,000	6,667	833	11,000	10,125
Restricted Purpose Income	3,000	2,000	250	2,000	2,500
TOTAL OTHER INCOME	27,000	18,000	2,250	26,000	21,772
TOTAL INCOME	202,950	135,300	16,913	142,828	118,412

NARRATIVE BUDGETING Step 1

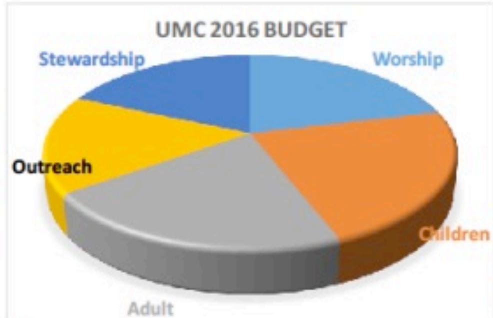
	BUDGET REQUEST	Worship	Youth & Children	Adult	Outreach	Distribution Method
CONGREGATIONAL CARE	4,200					
Children's Worship	1,000	1,000				% Purpose
Worship & music	700	700				
Children's Ministry	500		500			
Adult Education	700			700		
Youth Ministries	700		700			% Purpose
Devotional	100			100		% Purpose
Library	100		50	50		% Purpose
Leadership Development	400		100	300		% Purpose
TOTAL	4,200	1,700	1,350	1,150		

Children & Youth

We had 35 children youth who attended various church camps this year and 21 adult volunteers. Seven of these children and youth made a first time commitment to Christ and 1 is now exploring ministry as their calling.

We also host an after school project where we serve on average 63 elementary and middle school children. These children receive help with homework, a nutritious snack and most importantly a safe place to play and enjoy friends while their parents work.

22% of our budget is dedicated superficially for children and youth ministries.



Passionate worship, caring for our congregation, both adults and children, vibrant outreach, and faith filled stewardship are the keystones of First UMC. We believe through the development and nurture of these practices, we together can change the world, beginning with our community.

Our total budget this year was $185,071.
21% is for Worship
23% is for Children & Youth Ministry
21% is for Adult Ministries
16% is for Outreach
19% is for Stewardship

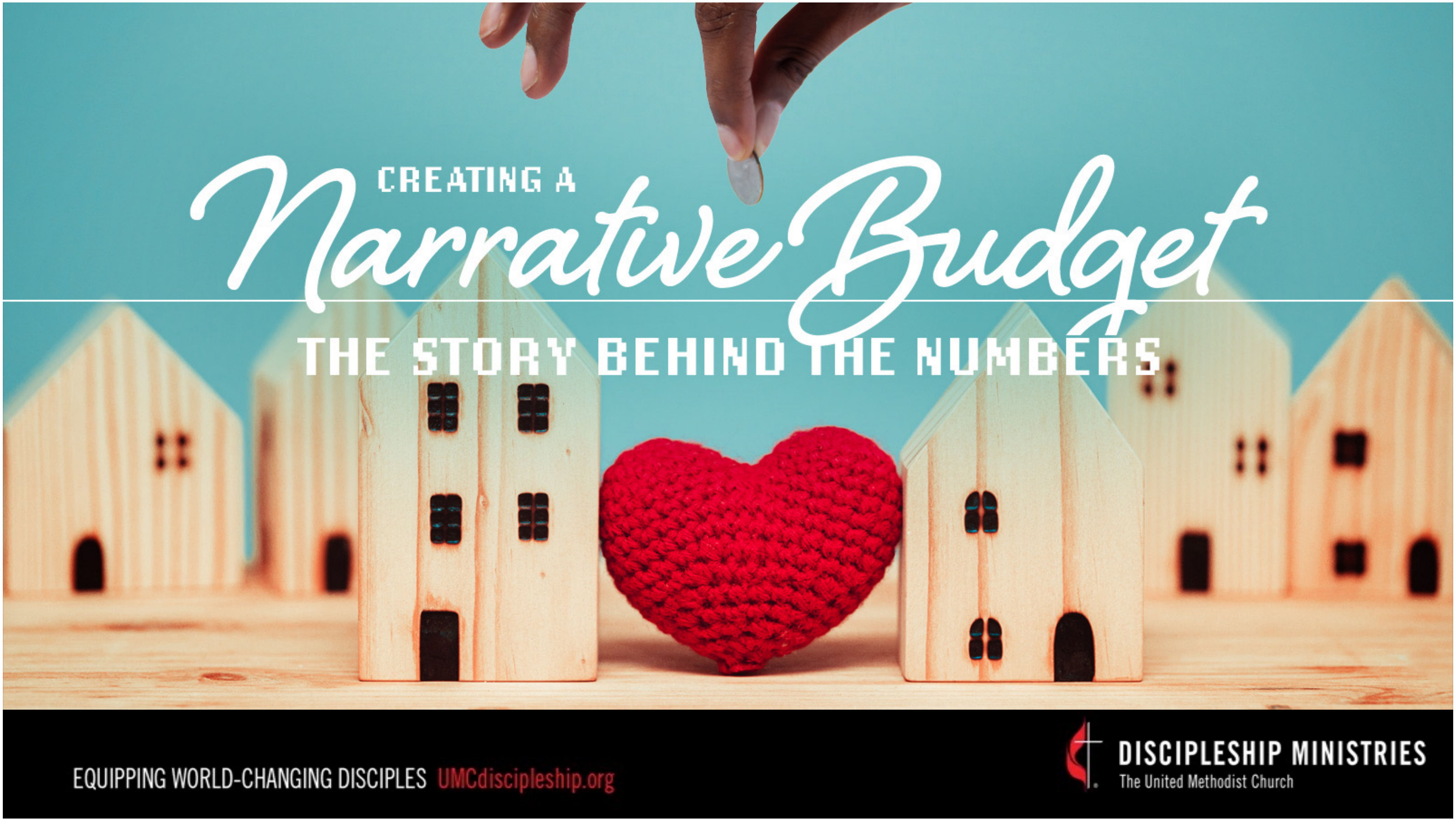
Our early service had an average attendance of 85 reaching primarily our empty nester and older adults. This service saw a slight increase of 2% over last year.

Worship

Our Praise & Worship service grew by 15%, which continues the trend from last year. This is a high energy service where we worship with all ages.

The new Saturday night coffee time is beginning to steam. We average 20 adults, most are currently unchurched.

Passionate service to God through our love for all.


CREATING A
Narrative Budget
THE STORY BEHIND THE NUMBERS
EQUIPPING WORLD-CHANGING DISCIPLES UMCdiscipleship.org
DISCIPLESHIP MINISTRIES
The United Methodist Church

QUESTIONS?

THANK YOU!

Restart Survey | Place Bookmark | Tools | Share Preview

How well did the Building a Better Budget webinar meet or not meet your expectations?

- It exceeded my expectations
- Yes
- Somewhat
- No

Does your congregation use a narrative budget?

- Yes
- No

We'd love to know what you think!
(Quick survey)

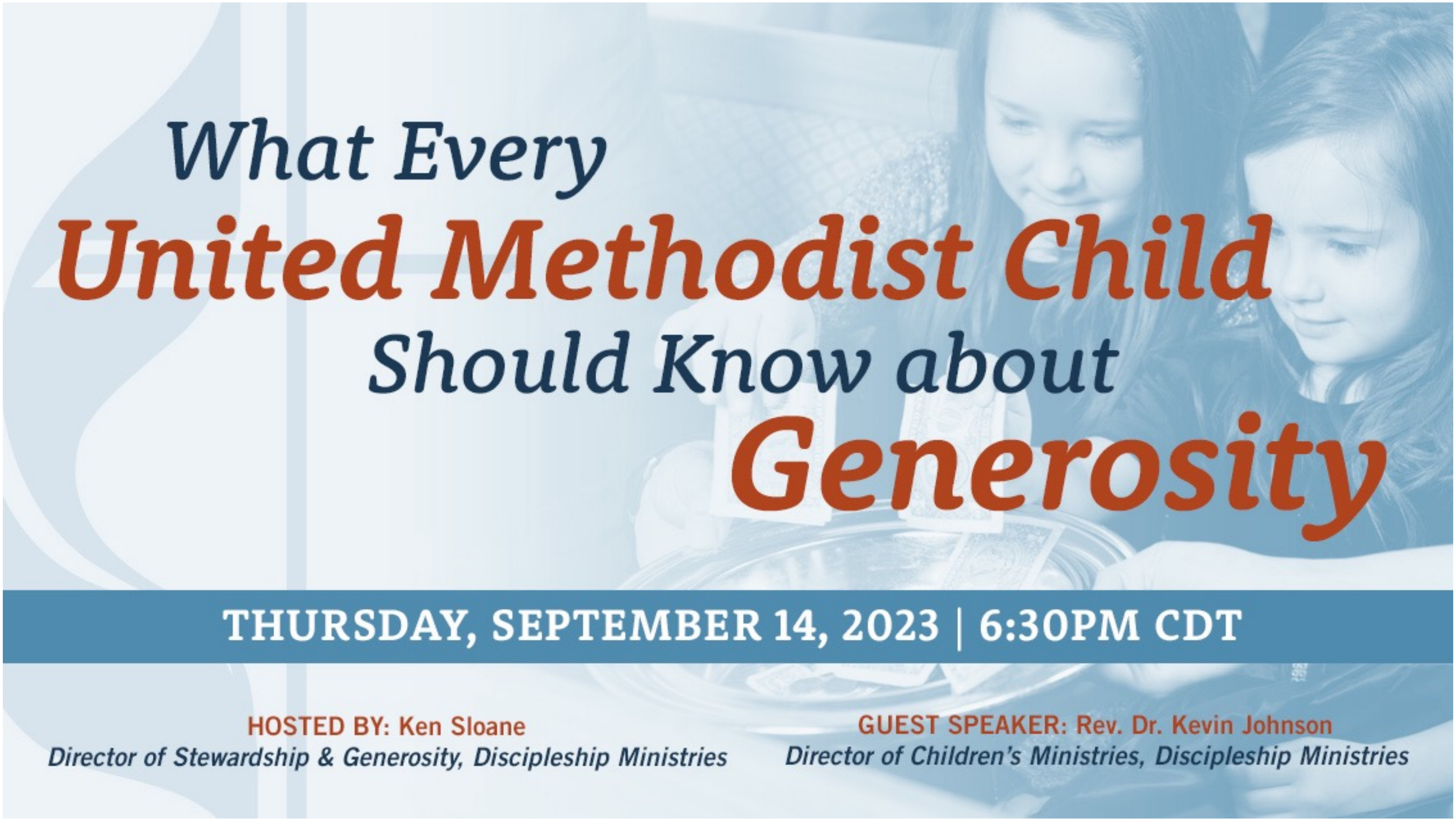
12:29

How well did the Building a Better Budget webinar meet or not meet your expectations?

- It exceeded my expectations
- Yes
- Somewhat
- No

Does your congregation use a narrative budget?

- Yes
- No


What Every
United Methodist Child
Should Know about
Generosity
THURSDAY, SEPTEMBER 14, 2023 | 6:30PM CDT
HOSTED BY: Ken Sloane
Director of Stewardship & Generosity, Discipleship Ministries
GUEST SPEAKER: Rev. Dr. Kevin Johnson
Director of Children's Ministries, Discipleship Ministries