Creating a Narrative Budget for your Parish

Courtesy of the Stewardship and Financial Development Committee
Anglican Diocese of Niagara
The Reverend David M. Ponting
What is Narrative Budgeting?

• It is the sacred story of the ministry of the parish

• One of the most important ways we can effect on-going stewardship education

• Narrative Budgeting is an essential element in educating your congregation about how their money is being utilized to support the ministry of the parish
Sacred story...

Just as individuals have sacred stories of God’s providential care for them...

...a narrative budget is the sacred story of your parish’s ministry and how your parishioners are giving through their parish to touch the lives of other people.
A new way of thinking

Line item budgets are an accounting tool

Narrative budgets are an educational and visioning tool

We need both but we must be intentional in how we use them
Line item budgets have limitations

They do not show how money is being invested in ministry

They do not show how volunteer time and talent are impacting parish life

Worst of all – they do not inspire!
The Narrative Budget

Clearly shows how money is being invested in the various components of parish life.

Helps us to re-frame what the parish is all about.

Inspires and helps us see our gifts are really making a difference.

Is a proven tool for increasing financial commitment to the ministry of the parish.
The Narrative Budget

Recognizes that parishioners are not inspired at the prospect of funding administrative costs, postage, heat, cleaning supplies, photocopying, etc.

Shows real ministry having a measurable impact.
So how does Narrative Budgeting work?
Each parish has several key components to their ministry...

*Your parish’s ministry might easily be segmented into these six components:*

- Pastoral Care
- Christian Education
- Worship
- Evangelism and Hospitality
- Outreach
- In-reach and Fellowship
Experience shows Six Categories seems to be Optimum

This means you will have to make some decisions about what categories are right for your parish.

• Some parishes like a youth ministry category. You might include Youth Ministry in the ‘Christian Education’ segment.

• Or, you could put Youth Ministry in the ‘Outreach’ or ‘Evangelism’ categories if that makes more sense for your parish.
Notice what category is NOT included in a Narrative Budget

• Pastoral Care
• Christian Education
• Worship
• Evangelism and Hospitality
• Outreach
• In-reach and Fellowship

Do you see the ADMINISTRATION category on this list??
A small team can put together your parish’s Narrative Budget

• Start by getting your full time staff to track their time for a month. They can also review their day planners for the previous month.
• Allocate their time among the six areas of ministry.
• Treat that as directional for how other expenditures in the line item budget should be allocated among the six areas of ministry.
• Some line items in your budget will be easy to allocate (Sunday school supplies to Christian education for example)
After a month of “diarizing” by the full time staff you will have an allocation formula

• For example the rector might spend 15% of his/her time on Christian Education; 10% on Outreach; 30% on Worship and Worship preparation; 10% on In-reach and Fellowship; and 15% on Evangelism and Hospitality and the remaining 20% on Pastoral Care

• Take this formula and use it as a blueprint for line items that are difficult to allocate.
Don’t get caught in a trap

• Many parishes implementing Narrative Budgeting for the first time miss a big point – they get too caught up on delivering accuracy and don’t give themselves permission to treat the Narrative Budget as directional.
Here’s what you will have when you are done your first Narrative Budget...
Sample line items in a parish budget...

<table>
<thead>
<tr>
<th>PROPERTY</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities (Electric, Heat &amp; Water)</td>
<td>$ 7,983.00</td>
</tr>
<tr>
<td>Telephone</td>
<td>$ 821.00</td>
</tr>
<tr>
<td>Insurance</td>
<td>$ 1,620.00</td>
</tr>
<tr>
<td>Maintenance &amp; Supplies</td>
<td>$ 6,854.00</td>
</tr>
</tbody>
</table>
...are allocated via the six categories of ministry

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Outreach</th>
<th>Worship</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROPERTY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities (Electric, Heat, &amp; Water)</td>
<td>$7,983</td>
<td>$2,794</td>
<td>$798</td>
</tr>
<tr>
<td>Telephone</td>
<td>$821</td>
<td>$164</td>
<td>$164</td>
</tr>
<tr>
<td>Insurance</td>
<td>$1,620</td>
<td>$567</td>
<td>$162</td>
</tr>
<tr>
<td>Maintenance &amp; Supplies</td>
<td>$6,854</td>
<td>$2,399</td>
<td>$685</td>
</tr>
</tbody>
</table>
These calculations are fed into a software spreadsheet to produce the following pie chart:

St. Paul's Investment in Ministries in 2004

- Outreach: $23,412
- Christian Educ.: $11,869
- Music & Worship: $19,506
- Pastoral Care: $21,078
- Evangelism: $18,415
- Parish Life: $47,673
The software also permits the budget to be expressed in percentages:

**St. Paul's Investment in Ministries in 2004**

- Outreach: 34%
- Christian Educ.: 13%
- Music & Worship: 15%
- Pastoral Care: 14%
- Evangelism: 8%
- Parish Life: 16%

![Pie chart showing the investment percentages for different ministries in 2004.](image-url)
Or the software lets you look at individual slices of the pie...

Our Investment in Outreach in 2004

Outreach 34%
Other Ministries 66%
The net takeaway we want people to have is this:

• 14 cents of every dollar I give goes to Pastoral Care
• 34 cents of every dollar I give goes to Outreach
• etc.
And the good news is we have made the whole process very simple to do:

- Email us at development@ang-md.org and we will send you a preformatted Excel spreadsheet to produce the charts and graphs you have just seen.
Time and Talent Worksheet

We can also supply a template for calculating and reporting volunteer hours against the six categories of ministry at the same email address.

development@ang-md.org
Tell the story of individual slices of the parish ministry pie

• There is a narrative for Outreach, a narrative for Evangelism, a narrative for Pastoral Care, etc.

• Funnel the story from the macro story to the micro story
The Pastoral Care narrative might look something like this:

The ministry of Pastoral Care at St. Paul’s involves the following services:

- taking of home communion to three local nursing homes each month
- on call at two local funeral homes and follow up with the mourners from 30 funerals in 2003
- frequent visiting at three local hospitals to care for parishioners recovering from illness or surgery
More pastoral care ministries

• counselling services to couples and individuals in marital crisis
• self help group set up to care for unemployed in the area
• bereaved families support group
• etc.
Then we get even more specific and tell the ministry sacred stories.

*Give a specific example or story of the impact of your ministry on an individual or group.*
We tell the stories of the real people touched by our ministry

- Tell a few stories for each category of ministry
- Parishioners begin to get a better sense of the impact the ministry of the parish is having on peoples’ lives
- Experience shows they become inspired and take a much greater ownership of the many ministries of the parish
There are many ways we can use to get the story out

• Vestry reports
• Parish newsletter
• Bulletin inserts
• Parish website
• Fall Stewardship mailings
• Narrative Budgeting booklets
• Personal contact
• Include in intercessory prayers
Use Sunday worship to tell the sacred stories

- 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
Adding Time and Talent

- You can do special charts that illustrate volunteer hours against the six categories of ministry.
- Parishioners get a sense of how vital and vibrant the local parish is when looked at in the context of volunteer time.
In an average size parish

When you factor in all ministries, we estimate that 10,000 – 15,000 volunteer hours per year are accumulated.

That’s a significant impact on any local community!!
Narrative Budgeting is an Evolving Process

• Each year you will get better at it as you add stories and volunteer time and talent.
• Remember *you are on a journey!*
• People will begin to think of the funding of the ministry of the parish in a new way
You can still make the line item budget available

...tell the left brain accountant types in the parish that there are copies of the completed line item budget available in the parish office. You are not compromising transparency.

As a faith-based organization be determined in your desire to talk about money and ministry in a new way. Don’t vacillate and fall back on the line item budget for decision-making.
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