

## Suggestions for Preparing a Narrative Budget

**N**arrative portions of the proposed budget should identify the kinds of expenditures that are included in each of the categories. So, to prepare a narrative budget like the one illustrated, you will need to do the following:

- Ask the pastor to estimate the percentage of his or her work that is applicable to each of the budget categories. These individual percentages must total 100%.
- Total the pastor's salary, housing, fringe benefits, and all professional expenses, except the reimbursement for automobile travel. Apply the estimated percentages to that total and allocate the resulting amounts to the appropriate categories.
- Follow a similar procedure with the church secretary and custodian in order to calculate the portion of the salaries and fringe benefits that should be allocated to various categories.
- You may want your budget to reflect actual costs even more adequately. If so, you can spread the costs of "Equipping and Maintaining Our Buildings" among the other categories. To do this, estimate the percentages of the use of facilities required by the work included in the other categories, apply those percentages to the costs of "Equipping and Maintaining Our Buildings," and allocate the resulting amounts to the appropriate categories.

## Example of a Narrative Budget

**ANTICIPATED INCOME** ..... **\$200,000**

Our income from loose offerings, church-school offerings, savings account, and other sources will amount to about \$51,400 next year. Consequently, we will need pledges totaling \$148,600, or \$16,320 more than this year, in order to accomplish the work we are planning to do.

Total ..... \$200,000.

### **ESTIMATED EXPENDITURES:**

**1. Supporting the Wider Mission** ..... **\$35,600**

Our congregation's work extends far beyond our own community. Through our support of the Christian work carried on by the conference and the national agencies of the United Church of Christ we provide services to the congregations in our vicinity and minister to many people in our state, nation, and other countries. For further information see the folder which accompanies this budget. We plan to give \$28,000 for Basic Support of Our Church's Wider Mission, \$5,000 for theological education through Seminary, and \$1,300 each to \_\_\_\_\_ Children's Home and to the \_\_\_\_\_ Homes for their sheltered workshop for the developmentally disabled.

**2. Reaching Out to Serve Our Community .....\$21,200**

We provide a childcare center for preschool children whose parents work, a tutorial program for children and youth who need additional help to master basic educational skills, and a recreation center for teenagers that is open on weekends. We make meeting rooms available to a senior-citizens' group and to Alcoholics Anonymous. Our pastor visits non-members, provides counseling services to residents of our community, and participates as our representative in several community organizations.

**3. Preparing For and Conducting Worship .....\$36,200**

Worship is central to our congregation's work. Planning for Sunday morning worship, preparing sermons, conducting weddings, funerals, and other special services require a significant part of our pastor's time. Our organist consults with the pastor, selects music, plans and conducts rehearsals for three choirs, and practices the organ. This budget category includes costs for music, bulletins, candles, communion elements, other worship aids, and guest ministers and organists who serve during vacation periods.

**4. Educating Our Children, Youth, and Adults .....\$24,500**

Under the leadership of our pastor and the Christian Education Committee, we have developed over the years an excellent church school. Curriculum materials and other supplies, expenses for sending teachers to training sessions, costs of the annual appreciation dinner for church-school leaders, and expenses of our daily vacation church school are included here. Also included are the costs of confirmation classes for youth, church membership classes for adults, weekday Bible-study groups, and occasional forums on current issues.

**5. Caring For Our Church Family .....\$25,900**

Pastoral care is a vital part of our work, especially for persons who are ill, hospitalized, bereaved, preparing for marriage, going through divorce, or facing other crises. Our church secretary provides information and other services to members such as the preparation of reports for the annual meeting of the congregation. Our monthly newsletter, occasional communications, family-night socials, and the all-church picnic are also parts of sustaining our common life.

**6. Reducing Our Debt .....\$20,300**

By the end of this year the debt incurred as a result of the major renovations we made a few years ago will be down to \$28,000. Next year we plan to pay \$17,000 on the principal and \$3,300 in interest.

**7. Equipping and Maintaining Our Buildings .....\$36,300**

Our custodian takes good care of our facilities. Utilities, insurance, and taxes are costs related to providing facilities to carry on our work. In addition to normal minor repairs, we plan to resurface the parking lot next year at a cost of \$6,000.

**Total .....\$200,000**