**5 Things Every Pastor Needs to Know About the Church Budget**

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Is your church budget helping or hurting your church’s ministry? That’s an especially important question if you’re the pastor of your church.

So often as pastors, we largely dismiss the budget as something quite unrelated to our work. But your budget is probably the best record of what your church really values. More than your website, more than your glossy brochures, more than what you *say*you value. And that means that moving toward a healthier church will necessarily involve moving toward a healthier church budget.

With that end in mind, here are five things that a pastor needs to know about his church’s budget.

**1. Your Budget Contains Your Real Philosophy of Ministry**

Consider how often budget conversations are actually ministry conversations. The children’s ministry director wants to turn his wing of the building into a first-rate children’s attraction. He sees that as funding the Great Commission. Others fear it would simply encourage church consumerism. Who’s right? That’s a really important question to answer.

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All too often, churches try to move toward a healthier, more biblical model of ministry without realizing that, like a ball and chain, the budget is pulling them back. We might want our people to see that being a Christian is to be a spiritual provider rather than a spiritual consumer, but the programs enshrined in the budget are all geared toward treating people as consumers. Or maybe we want our people to discover the joy of friendships where we share only Christ in common—like the Jew-Gentile friendships of [Ephesians 2:14](https://www.esv.org/Ephesians%202%3A14/). But a quick glance through the budget shows money for a singles ministry, for a contemporary music service, for a senior adult breakfast, and so forth—programs that emphasize homogeneity. That doesn’t mean those ministries and programs aren’t worth funding, but we often don’t fully understand how the budget might be competing with the direction we want the church to go.

**2. Your Budget Is a Tool for Teaching**

Your budget is written in the language of money, but it isn’t fundamentally about money. It’s about value. That means it’s full of opportunities to teach your congregation about the things they should value. A few examples:

* When you present budget reports, you can talk about why we give. Not to “lend God a hand” (as if his purposes are helplessly on hold until we cough up some cash), but to be counted as faithful.
* When you’re behind budget, teach that God will always provide what we really need—and a budget that is 10 percent behind is simply a budget that was 10 percent overextended.
* When you’re ahead of budget, teach the importance of finding excellent opportunities to deploy that money for the kingdom. Being ahead doesn’t mean we’ve succeeded; it simply means we have more work to do to be faithful stewards.

Your church budget is full of rich opportunities for teaching in a language (money) that everyone understands. Why would you ever talk about the budget without taking advantage of that opportunity to teach?

**3. Your Budget Is a Tool for Prayer**

Your budget is an excellent summary of how your church is seeking to obey the Great Commission. “Make disciples of all nations . . . teaching them to obey all that I have commanded you” ([Matt. 18:19–20](https://www.esv.org/Matt.%2018%3A19%E2%80%9320/))—that’s what your budget is all about, isn’t it? And if you’ve designed your budget well, there isn’t a single ambition in your budget that can happen unless God does the work. “Apart from me you can do nothing” ([John 15:5](https://www.esv.org/John%2015%3A5/)).

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So do you pray for the items in your budget? Does your congregation pray for the items in your budget? How many ministries are worthy of your church’s money but not worthy of their time in prayer?

As you consider the hopes attached to each line item in the budget, pray that God would do everything you’re dreaming of—and more. Follow Paul’s model in [2 Thessalonians 1:11](https://www.esv.org/2%20Thessalonians%201%3A11/): “We constantly pray for you . . . that by his power he may bring to fruition your every desire for goodness and your every deed prompted by faith.”

**4. Your Budget Can Show That People Are More Important Than the Budget**

One of the most precious commodities a pastor trades in is his congregation’s trust that when he asks them to give, it’s because he loves them, not their money. Many times, I’ve said something like this to my congregation: “I don’t care nearly as much about meeting this budget as I do the conversation you’ll have with Jesus someday about your faithfulness. I love all the good in our budget, but you being faithful is much more important.”

Yet how genuine does that sound if my congregation knows that my back is up against the wall, the budget is tight, and unless they give, I’ll need to lay off staff? Structure your budget to help your people know that you love them more than you love their money. Build a reserve fund, include flex in the budget, save some one-time expenses until late in the budget year—these are all important tools at your disposal so that you will rarely have mixed motives in asking your congregation to give.

**Use your budget to help your people trust that you love them more than you love their money.**

And when your church *does*need to meet the budget—either to avoid some dire consequence or take advantage of some unique opportunity—be honest with your church. Explain that this is an exceptional situation, explain how you got here, and explain what you’re doing to make sure that this *remains* an exceptional situation.

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**5. Your Budget Is a Pastoral Responsibility**

In many ways, a church budget operates like a spiritually oriented mutual fund. In a financial mutual fund, thousands of investors entrust their money to an investment manager who looks for the best opportunities to invest that money in line with the fund’s goals, so that someday those people will see a return on that investment.

Do you see the similarity to your church budget? Every year, your congregation entrusts a significant portion of their wealth to the church. Your church “invests” that money in kingdom-oriented work. And one day, each of these saints will stand before the Lord to give account for how they’ve stewarded what he entrusted to them ([2 Cor. 5:10](https://www.esv.org/2%20Cor.%205%3A10/)). I hope that on that day they are grateful for every bit of money they gave to your church budget.

**Your church budget is a far more potent pastoral tool than many church leaders realize.**

Now, who are the right “investment managers” for that spiritual mutual fund? As administratively complex as a budget is, it’s even more complex at a spiritual level. Should we invest more in this missionary or bring him home? Are we better off putting more money toward the church building or giving it to a local ministry? How much should we pay our staff? Those questions require spiritual discernment and to answer them you should take advantage of the spiritual leaders God has given you: your pastors/elders.

Pastors need help from administratively minded individuals. Pastors always work with accountability to the congregation. But at least at a high level, budget leadership should come from a church’s pastors. In particular, I’ve found it useful for pastors/elders to be involved in the budget process at whatever level of detail is necessary to oversee seven basic tasks:

1. Set the budget’s income estimate.
2. Determine if high-level allocations of money within the budget are appropriate (staff vs. missions vs. programs vs. building, and so on).
3. Ensure quality control for each budget line (Is this a worthy use of a church’s money?).
4. Balance long-term plans with emerging opportunities for ministry.
5. Assess which opportunities for ministry a church is uniquely equipped to undertake.
6. Communicate the budget.
7. Decide when and how to break the budget.

A church’s philosophy of ministry is locked into its budget, and so your budget will either stifle or accelerate any attempts to move your congregation toward a biblical model of church health. That means that your church budget is a far more potent pastoral tool than many church leaders realize. Use it wisely!

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