

Developing a Local Church Budget in the AME Church

Overview: Creating a church budget is more than a financial task—it's a spiritual discipline that reflects stewardship, planning, and vision. For AME churches with average memberships between 25-100, a thoughtful, realistic budget helps align ministry goals with available resources.

In the life of the local AME Church, budgeting is not just about balancing numbers—it's about faithfully managing God's resources to fulfill the mission, sustain ministry, and support the Connectional obligations that bind us together in Christian service

Understanding Church Income - Tithes and Offerings - Special Events/Fundraisers - Rental Income (if applicable) - Grants or donations from outside organizations - Bequests or legacy giving

Understanding Church Expenses - Worship & Ministry (supplies, guest preachers, music, etc.) - Pastoral Compensation (salary, housing, benefits) - Utilities (electricity, water, gas, internet) - Insurance (property, liability) - Connectional Giving (AME assessments, District support) - Administration (office supplies, technology) - Outreach and Missions

Budget Planning Process - Review previous year's actual income and expenses. - Meet with finance team and pastor. - Establish ministry goals for the year. - Project realistic income. - Allocate funds to priority areas. - Include a contingency line item (5-10%). - Present budget to the Official Board for approval.

Tips for Congregations - Keep it simple and clear. - Be conservative in income projections. - Consider bi-vocational leadership if needed. - Emphasize stewardship education. - Encourage recurring giving (online and in-person).

Sample Budget for Church with 50 Members *Estimated Annual Income: \$50,000*

Income Sources: - Tithes/Offerings: \$45,000 - Fundraisers: \$3,000 - Rental/Other: \$2,000

Expenses: - Pastor Salary/Housing: \$18,000 - Worship & Ministry: \$5,000 - Utilities: \$6,000 - Insurance: \$3,000 - Connectional Giving: \$7,000 - Administration: \$2,000 - Outreach/Mission: \$4,000 - Contingency: \$5,000

Final Thoughts - A well-managed budget reflects healthy ministry priorities. - Align spending with mission. - Communicate the budget with transparency. - Review and revise quarterly.

Sample Local Church Budget (50 Members)

Fiscal Year: 2025–2026

Estimated Annual Income: \$50,000

Income

Income	Amount
Tithes & Offerings	\$45,000
Fundraisers & Special Events	\$3,000
Rental Income / Other Sources	\$2,000
Total Income	\$50,000

Expenses

Expenses	Amount
Personnel	
Pastor Salary & Housing	\$15,000
Ministerial Support (Honoraria, etc.)	\$3,000
Worship & Ministry	
Worship Supplies & Music Ministry	\$2,500
Christian Education (materials, VBS)	\$1,000
Guest Preachers & Special Services	\$1,500
Facilities	
Utilities (Gas, Electric, Water, Internet)	\$6,000
Property Insurance	\$3,000
Maintenance & Repairs	\$1,000
Administrative	
Office Supplies & Technology	\$1,000
Printing, Postage, and Subscriptions	\$500
Connectional Ministry	
General Church / Annual Conference	\$5,000
District / Presiding Elder Support	\$2,000
Outreach & Mission	
Community Engagement & Giving	\$3,000
Benevolence (Helping Families)	\$1,000
Contingency & Savings (10%)	\$5,000
Total Expenses	\$50,000