



The People Spot Missile: Financial Stress for Churches

The financial markets seem to be in a quandary. The 5th largest investment banking firm recently collapsed. The R word is being mentioned on a regular basis. Even a few are mentioning the horrible D word as a possibility.

Churches can be very sensitive to economic swings in a community. I recently had occasion to visit a small community in eastern Ohio. The homes give evidence that the community had at one time been quite prosperous. The steel mill closed. A number of the smaller businesses have disappeared. Many store fronts and business buildings are vacant. I was talking with a bright young man. He lived there because it was inexpensive and healthy for his kids. He traveled for work. He said, “Anybody here making \$10.00 an hour is at the top of the food chain.” That community is not an isolated example.

I was just offered the opportunity to buy fuel oil for the winter at \$4.299 a gallon. I thought about that and how that translates to churches. Some churches have 2,000 gallon tanks. That would take \$8,600.00 to fill. Other energy sources are rising too. Health care for the pastor is rising too. It is not unusual to pay \$1,000.00 per month for a family’s health care premium. All printed material is rising in cost as well.

Churches with an average attendance of less than 100 with a full-time pastor are increasingly struggling to survive financially.

What are the options?

Give more!

How many giving units in your church? What is a very conservative household income for your church? Multiply the household income by the number of giving units. Then multiply that total by .1 to see the tithe potential of your church. Divide your churches total income by the household income to determine what percentage is actually being given by the people of your church.

Could your people be encouraged to give more? We have to understand that there is growing financial stress on families as well. Seldom will a family that has been giving 2% go straight to a tithe. Some could be encouraged to move to 4% then 6% and then the 10% tithe.

Herbert Miller has written a program called “Celebration Sunday.” It is based on the theory that people should be encouraged to give so they can experience the joy of giving and not because the church needs money.

Spend less!

What spending could be cut that would not significantly impact the life of the church? You have to be very careful about this. It is easy to cut the wrong things. Please don't cut the programs that have the potential to add more people to the church.

Some churches have chosen to cut basic maintenance to the building. That can be a factor that will ultimately increase down the road. Either fix the problem now when the costs are modest or the needed repair will balloon with the passage of time.

If your church is heating by electric, can you negotiate with the electric company for a different rate? I have heard of that happening for churches because the peak hours of using electric are frequently during off peak hours. Are there creative ways you can safely reduce the cost of energy?

Can you find a less expensive method of health care? If the spouse has employment that includes health care, can the pastor join that program at a lower rate? However, please don't ask pastors to serve without health care. You never know when you may need significant help for medical expenses. I can vouch for that. Twice in our lives my family experienced catastrophic medical expenses that were covered by insurance.

It is obvious that churches that have had full-time service are going to have to return to some old and tested methods. Circuits are again on the horizon. The choice would be easy for me. I would rather serve two churches full-time than one and be a tent-maker. If there is not a second church nearby of your denomination, is there one of another compatible denomination your church could yoke with.

Tent making is another option. That means the pastor is no longer full-time. They secure a job outside the church to supplement their income. Either way, the cost for pastoral care for a church should decrease. In many churches, the building and staff costs are the bulk of the expenses. There isn't much left after that to cut. Take a hard look. Maybe it is a creative combination of giving more and spending less.