

CHURCH WORKER DEBT PROBLEMS

by Rev. Thomas Soltis, SELC Stewardship Director

A Financial Problem

The average inflation rate in 2006 was 3.8%. Congregations which raised salaries of professional church workers (pastors, teachers, deaconesses, directors of Christian education, etc.) by 2%, actually downsized the purchasing power of their church workers by 1.8%. The raise was really not a raise. Often congregations, hurting financially, cut budgets. When congregations pay low salaries, church workers may face hardships which can impact health and efficiency factors. Some declining congregations have reached a financial level of not being able to support a pastor. Some congregations have merged. Others have become “preaching stations” where visiting pastors conduct services on a “pay as you come” basis.

Solutions

Some congregations have engaged in stewardship programs which have raised the level of giving of members. Two programs which have proved effective:

CONSECRATION SUNDAY

(by Herb Miller)

CONSECRATED STEWARDS

(a Synodical Program)

Both programs emphasize the three principles of Biblical giving:

1. Proportionate (percentage)
2. Regular (weekly)
3. First-fruit (funding God first)

If interested in participating, contact the SELC Stewardship Department:

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Church Worker Debt Study

Behavior Research Center, Inc. conducted a study in May and June, 2006, regarding Missouri Synod church workers. One third of the church workers indicated debt has negatively affected their personal lives or ministries sometime during their church careers. Concerns about health insurance were cited by 83%; retirement planning, 71%; paying for their children's education, 56%.

Sixteen percent considered leaving their ministries because of financial issues. The study also found 48% borrowed money for their education and 11% currently have outstanding educational debt. Regarding “consumer debt”, 17% owe between \$10,000 to \$24,999; 11%, \$25,000 to \$49,999; 4%, \$50,000 or more.



Solutions

Synod's two seminaries in St. Louis, MO, and Fort Wayne, IN, have been requested to require a basic financial literacy class for students receiving financial aid. Synod's ten colleges will be encouraged to follow suit. The LCMS Church Extension Fund has been offering debt consolidation loans since the year 2000. Seminars on financial planning have also been available since 2000 from Concordia Plan Services. For years, the SELC District annually produced “Pastoral Salary Guidelines” for congregations and will do so again in 2007.

Additional Resources

For more information, including worksheets to help assess financial health, visit these Web sites:

www.concordiaplans.org (“Education”)

www.lcms.org (“Ministries” - “Ministerial Growth & Support”)

www.lcef.org (“Home Loans” - “Debt Consolidation Loans” - “Home Equity”)