
Pastors and Their Personal Finances...Why the Struggle is Real

Of the more than 700 pastors' spouses surveyed in a recent LifeWay research project, more than half expressed that their income from the church is insufficient, and [more than two-thirds are concerned they do not have enough saved for retirement](#). Why is this? Why do so many families in local church ministry struggle financially?

While there are likely many reasons, I want to offer four possibilities—three of which place responsibility on the church for not providing enough support and one that places responsibility on the pastor for not being a wise steward. In my more than twenty years of serving in local church ministry and working alongside pastors and churches, I have seen all four reasons at play.

1. Churches comparing apples and oranges in compensation

Early in my ministry I was in a committee meeting and heard someone make a complaint about a pastor's salary. The printed number that the person was looking at was the total cost of compensation—which included social security tax at 15%, retirement, book allowance, and health insurance. The person said, "I did not know we were paying *this*." The reality is the pastor was not being paid *that*. And if asked about his own salary, the person making the argument would never have given total cost of compensation. You don't budget or live on the total cost of compensation. While it is important for those who prepare budgets to understand total cost of compensation, total cost of compensation analysis can give the perception a pastor is being paid more than the reality.

2. Church members projecting old costs to a new context

Imagine someone who bought a house in a growing community fifteen years ago. If a pastor moves in next door this year, the pastor will be paying much more to live in the same size house. The costs of property taxes and the price of the house (mortgage payments) are much higher. The person who has been there fifteen years is locked in at a much lower cost. So people who have been in the church a long time can easily make decisions without really feeling the weight of how much it costs currently to live and start a ministry in an area.

3. Bad theology in a church

The first two reasons are common and can happen among good people who just are not thinking clearly. The third reason is erroneous thinking about the Lord, about spiritual growth, and about the relationship between a church and the pastors. It is bad theology to believe it is a church's job to keep a pastor humble by paying very little. It is the Lord's role, not the role of the compensation package, to keep a minister on his knees. While it is scriptural malpractice to teach the godly will be wealthy and not suffer, it is also a disregard of Scripture not to take care of a church's leaders. The Lord commands His people to take care of those who lead and

preach and teach (1 Timothy 5:18). Sanctification ultimately comes through the Lord, not through poverty or prosperity.

4. Bad stewardship among pastors

Pastors are not immune to the temptation in our culture to live outside of one's means, to accrue lots of debt, and to grow cold in generosity. Pastors who are bad stewards of their own finances lose credibility to manage the finances in a church. According to the apostle Paul, managing the home is no small matter for a pastor, and this includes our personal stewardship. "If anyone does not know how to manage his own household, how will he take care of God's church?" (1 Timothy 3:5).

A local church does not benefit if her leaders are struggling financially. A church benefits when her leaders are able to serve with joy (Hebrews 13:17), and ministry leaders who are struggling financially are often distracted and filled with constant grief and worry.

> [Read more from Eric.](#)