

Seven Actions to Lead Your Church to Financial Fitness

Is your church financially fit? When asked this question most church leaders usually have a quick gut level response between two extremes. They either respond with a confident “yes” because the church has more money than it spends every year. Or an absolute “no” due to the impression of too few resources to fulfill the dream. Before we venture into an honest discussion of what it means to be financially fit, let’s make sure we understand the land mines of measuring the wrong things.

False Financial Measures

1. **No Debt** - Debt can be the number one binder on financial freedom. However, being a church with no debt can also result in a lack of numeric growth, dated and unmaintained facilities, or a hoarding of resources. Don’t make debt free the ultimate measuring stick of financial health.
2. **Increased Budget Growth** - Receiving more resources every year is not the end all measurement on financial health. It might be the result of a small percentage of willing donors or can lead to unjustified spending which is sinful. A generous church is not the same as a wealthy congregation.
3. **Lack of Financial Conversations** - A church that never talks about money may also be a church that is stuck or even moving backwards. It may be a church without a clear mission that demands a great sacrifice. It may be a church with very little financial discipleship occurring.
4. **High Missions Giving Percentage** - I’ve learned that being a “missions-minded church” can mean a lot of different things. Sometimes it means we live for the mission, then other times it means we do nothing but study missionaries and give resources away. I have also seen foreign missions giving be trumpeted as better than internal or local investments in ministry.

Financial Values Leading To Fitness

1. **Model The Way** - Every church I encounter that is enjoying the fruit of financial freedom is being led by a generous pastor who is not distant from every financial conversation. A pastor who understands both personal stewardship and the generous life will naturally lead the organization by the same principles.
2. **Tell Great Stories** - Church leaders would be shocked to know how many times a church attender gives to non-profits, because he or she does not clearly see the impact of the mission of the local church. Most committed church givers do so out of duty, habit, or obligation. Very few see, hear, and experience the stories of impact. NPO’s have clear visions that are big and engaging. The church has a budget and bills.
3. **Invest For A Return** - 100% of church resources need to be wisely invested as resources considered holy by God and wholly committed to the mission. Every budget year most churches answer two lingering questions, “What did we do last year?” and ”

How much money do we have to spend this year?" The conversation needs to begin with a clear understanding of where God is uniquely at work in your church. Then, church leaders should have a clear and tactical vision moving forward. We should never justify an expense solely because of the person leading the ministry or fear of making a change.

4. **Tame the Monsters** - The two biggest expenses in most church budgets are staff and facilities. As a matter of fact, these two spending categories routinely create 75% of yearly expenses. We find that churches who pay their staff well, while creating a stronger volunteer pipeline, can steadily see their staff expense trend below 50% or less. When the figure is closer to 35% we see real future potential. Churches that maintain a debt load of less than 1 time their annual expenses also show few signs of financial bondage. There are certainly seasons in church life cycles where staff expense can trend above 50% and debt can be 2-3 times your annual income, but these are two places you want to avoid as a pattern.
5. **Focused Impact** - Decades ago people could revolve their lives around church activities. That is simply not the case today. Church programming is far better off when you do a few things well as opposed to many things. Focusing your resources of people, funds, and space can produce far better results than stretching yourself thin.
6. **Personal Path** - Money affects every person. We value and experience money at every stage of life and it is constantly different. Just watch a kid on a toy aisle or a senior adult fretting over a major health expense. Every person and family regardless of age or income level deserves the opportunity to enjoy financial freedom offered by the generous life. For many churches 50-60% of their people give far below the tithe principle taught in Scripture. A financially fit church has a discipleship plan for each giver beyond just a money management class and tithing sermon.
7. **Surplus Plan** - This principle always sounds so foreign to church leaders. Unfortunately most churches begin each fiscal year having created a spending plan that consumes all expected margin. This leads to false limitations of ministries, an unnecessary weight for church leaders, and self-induced pressure. When we encounter a church that has the pattern of only spending 90% or less of last year's undesignated receipts, we encounter freedom and joy. The conversation among church leaders is no longer what they can't do, but instead, "God, we are ready. Lead the way."

As you look to measure your church's financial fitness it is really important to sort out what you should and shouldn't measure. Scripture is clear that God gives resources to people and He then leads them to be generous. The church is not responsible for those two actions. Here is what church leaders are responsible for and should measure:

1. Possessing a clear vision of the unique mission
2. Providing the discipleship opportunity for personal growth in life stewardship
3. Proving each expense is being invested for the highest kingdom good
4. Placing faith in God as the wise provider

How much money a church receives or saves is not the end all. Never experiencing a financial pressure is not the ultimate test. A financially fit church rests on the fact that God controls the amount, and we control how we use it.

For more resources you can download the Generosity Dream Tool [here](#) or purchase my book [*Leading A Generous Church*](#).

[*To learn how how to help your church be financially fit, connect with an Auxano Navigator today.*](#)

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