

1.1 Church Debt and Borrowing Policy

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Scripture does not specifically prohibit borrowing money for ministry. On the other hand Scripture, particularly the wisdom literature, warns against frivolous, frequent, careless, or thoughtless borrowing. God's Word also warns that those who borrow may encounter difficulty and restrictions and may find their ability to proceed in certain directions restrained by limitations placed on them by the lender.

Decisions about giving and borrowing involve more than just business choices for the Village Church. They allow us to exercise our faith that God will provide for His work. We understand God's promises to supply ministry needs require us to trust Him to provide in His time and in His way. God is honored and believers are strengthened when we give sacrificially to the work of our local fellowship.

Therefore, consistent with God's promises and our desire to allow Him to gain glory and honor for what He accomplishes in our midst, we have made the following decisions:

- The Village Church of Barrington will not borrow money for the regular operation of the church.
- The Village Church of Barrington may consider borrowing for capital purchases or construction to be used directly for ministry on a case-by-case basis. We believe that as we practice prayer and fasting, seek the face of God, and offer the congregation the opportunity to give abundantly and joyously we will not need to borrow. (This policy will not prohibit the use of so called "construction" or "bridge" loans if the congregation has agreed to fund the final purchase or construction from donations during some stated period of time.)
- The Village Church of Barrington may borrow money for capital purchases that can be expected to return sufficient income to amortize the loan without drawing on the church operating budget or if the purchase can be liquidated to immediately pay off the loan (for example, purchasing property that can be rented until another use is made of that property). However, we prefer that these purchases be funded from giving rather than by borrowing.

Biblical Cautions Against Borrowing

- Borrowing is enslavement
- Borrowing weakens the testimony of God' provisions
- Borrowing often presumes on the future.
- Borrowing often indicates a lack of trust in God.
- Borrowing often reflects discontentment with God's provisions.

PRAGMATIC ARGUMENTS PEOPLE USE TO JUSTIFY MINISTRY BORROWING

- Everyone else does it.
- Borrowing actually saves money, since building costs constantly rise.
- We're forced to borrow because of urgent ministry needs.
- Our ministry is too small – we don't have enough resources without borrowing.
- Borrowing is simply how business is done today.
- If we build it, they will come.
- Our people will increase their giving to pay off the loan.
- Our people will be more motivated to serve in a new facility.
- Growing churches are in debt – debt-free churches are dead.
- It's OK to borrow for appreciating items, such as church property.
- Borrowing is the easiest way to expand a ministry.

Instead of following popular trends, Christians ought to let biblical principles guide them. The following are intended to provide some practical, logical, and biblical responses to these attempts to justify borrowing:

Everyone else does it.

This statement is simply false. There are many healthy, well-balanced ministries from coast to coast that thrive without borrowing. You'll also find that every biblical reference to borrowing is either a caution or a warning.

Borrowing actually saves money, since building cost constantly rise.

This argument is a good example of how numbers can be manipulated to "prove" almost anything. There are four key points to consider when responding to this line of reasoning.

Cheapest is not always the best.

A "borrow-free" ministry has benefits that transcend mere cost.

If you borrow, you'll probably spend more that you need to.

The argument itself is false. Run the numbers and see for yourself - borrowing money ultimately costs more whenever interest payments are involved.

We're forced to borrow because of urgent ministry needs.

This line of reasoning is most commonly used when making a case for building. With that fact in mind, consider these four points when responding to the borrow-because-of-urgency argument.

1. New facilities may not be God's will for your church right now.
2. There are many ways to grow without borrowing
3. God may be leading you to minister outside your traditional facility.
4. Facilities do not equal ministry.

Our ministry is too small – we don't have enough resources without borrowing.

When any faithful ministry, whether small or large, trusts God to provide, He will do so abundantly. He provides as He sees fit and often in ways that confound and amaze. If He wants your ministry to expand into new areas, He'll provide the funds.

God's best is never thwarted by an apparent lack of funds.

Even a small number of God's people can accomplish great things.

Let God "grow" you into ministry before you "go" into ministry.

Borrowing is simply how business is done today.

Just because something is "business as usual" does not automatically make it applicable to Christian ministry. It's true that borrowing has become pandemic in our society; God's ways are rarely those of the world.

If we build it, they will come.

Borrowing to expand ministry runs the risk of later stagnation. Borrowing reduces people's personal involvement in the process of expansion, and they do not feel as deeply and as intimately connected to the ministry as they would if the expansion were the direct result of their own sacrificial commitment.

Our people will increase their giving to pay off the loan.

The Bible clearly states that generous giving is not the result of external influences but of intrinsic motivation. People give generously and consistently because their core belief system demands that they do so. According to Scripture, generous givers are those who have "given themselves first to the Lord" (2 Corinthians 8:8). Unless people are enthusiastically demonstrating sincere love for Christ by their current levels of generous giving, there is little reason to assume they will rise to the occasion in support of paying off a loan.

Our people will be more motivated to serve in a new facility.

According to Jesus, the only enduring source of real motivation has nothing to do with the age of a ministry's facilities. "If you love me, you will obey what I command" (John 14:15). Service is the core concept of the Christian lifestyle. People who make up the core of our ministry's committed volunteers give of their time and energy because they love God, not because they love a building or a program.

Growing churches are in debt – debt-free churches are dead.

This line of reasoning is nothing more than self-deception. It's God's Spirit that gives life to a ministry, not an infusion of cash. "Dead" ministries are dead whether they borrow or not. Studies continually reflect that most non-borrowing churches are vibrantly alive in the Spirit. God wants His people to trust Him and His sovereign provision, rather than relaxing in the apparent security of worldly borrowing plans.

It's OK to borrow for appreciating items, such as church property.

The issue at stake in ministry borrowing is not a question of "OK" or "not OK." Practically, it's a question of risk and wisdom. Spiritually, it's a question of conforming to biblical principles and ministry models and following God's individual guidance. It is not, however, a sin to borrow.

Borrowing is the easiest way to expand a ministry.

Yes, borrowing is easy, and that's what makes it so alluring. But there's nothing in Scripture to indicate that an easy alternative justifies a lack of trust in God. God's work in God's way is a sure sign that His people are on the right track.

The above were taken from the book "The Debt-Free Church," by Jeff Berg & Jim Burgess with consultation provided by Larry Burkett. Case studies of churches that have built debt-free ministries were the basis of the examples and strategies outlined in this book for operating debt-free as a church. The authors point out that operating debt-free requires great courage and faith in God's sufficiency, but it provides a powerful testimony to our materialistic culture.

