

The Pastor & His Money

-by Pastor Rob Buhl, MBA

New Year Retirement Planning

In my childhood we weren't dirt poor. We always had some food, and we always had some clothes. We usually had some gifts at Christmas and on our birthdays. But I could feel the financial pressure in my home. There were a few periods which were especially lean and those were the years that my dad pastored a small rural church. Several contributing factors lead to us leaving that church and my dad leaving the pastorate and one of them was the financial strain.

Maybe that's why the pastor and his money is so important for me? Consequently, as long as I can do something about it, I work to avoid *being* and *feeling* broke.

A new year is just around the corner, and this is an important time to think about your retirement planning.

Plan for Retirement?

"Jesus is going to come back in my lifetime, so I don't need to save for retirement", said one pastor. "The Bible doesn't say anything about retirement", say countless others. Yet, the Bible does reference saving for the future *a lot*. The Bible *does* reference a reduction in ministerial responsibility (a type of retirement) in Numbers 8:23-26.

Whether you think it's not biblical, you can't afford it, or Jesus will come back first – I want you to prayerfully consider your retirement planning. Here are the objective facts; personal health and low energy, a spouse's health, family needs, changes in the church like - they are asking you to retire & leave, or a call of God to retirement, all lead pastors to retirement.

Here are three ideas to keep in mind as you begin planning.

You Can't Afford Not to Save

The factors listed above can be almost entirely out of your control. At the same time, managing your income to make room for retirement savings is within your control. The long-term cost of delaying retirement savings can mean that you can't afford not to save. Cliché, I know – but I believe it's true. So begin small - \$20, \$50, or \$100 a month will add up and compound. Then, next year, raise your monthly contribution.

Your Home Is Not an Investment for Retirement

I suggest you plan to have your home mortgage paid off when you retire because it seriously reduces your income needs and your stress. Since you'll always want a place to live, thinking of your home as an investment isn't right thinking. Even if the value of your home increases, you shouldn't tap that equity by going back into debt as your income decreases in retirement— that's a bad plan. The exception, of course, is if you live in a high-cost housing area and its God's intention for you to move into a lower cost area. Then that home equity can be used for a new home and invested for future income.

Retirement Investing Is Intimidating

Investment jargon like; stocks, bonds, IRA's, cryptocurrency, 403(b)'s, is intimidating for many, many people. Often the pastor at heart simply wants to preach and love people, not think about finances. Two things will seriously help you, first, go to a professional. A good financial advisor will carefully guide you. Second, keep it simple - only invest when you understand – and a trustworthy financial advisor will help you understand.

Pastor Rob's Financial Tip

Planning takes time. Set aside some time to evaluate your retirement planning. Are you where you want to be? If you have a spouse include them in your planning and evaluation.