

Bleeding Churches Going Bankrupt

Cornerstone World Outreach Center, a Sioux City, Iowa, church, has filed for bankruptcy, three years after completing a new \$8 million building program. An Ohio contracting company won a lawsuit against the church in an attempt to recover \$3.6 million the church had failed to repay after the building was completed.

In a statement announcing the bankruptcy, Cornerstone's pastor, Cary Gordon, cited "complications arising from an inability to achieve funding during the economic climate" and a breakdown of negotiations between the church and the contractor.

Cornerstone's plight is only the most recent of financial woes for churches attempting to weather the economic recession.

The *Orange County Register* reported that several members of the orchestra hired to perform at the Crystal Cathedral's Easter Sunday services walked out and refused to play after they realized that the church had paid them half of what was promised to them. The Southern California megachurch, pastored by Robert Schuller, filed for bankruptcy protection in October 2010, following the revelation that it owed \$7.5 million to unsecured creditors.

In

December 2010, Minneapolis area Mighty Fortress Church filed for

bankruptcy with nearly \$7 million in liabilities related to its new

sanctuary, training center and K-12 Christian school.

But not all

financial struggles are related to ambitious building projects. New

Christian Life Church, a congregation in Boynton Beach, Fla., is facing

foreclosure that the pastor, Richard Butler attributes to church repairs

and a shrinking congregation.

"When they (church members) leave,

they take their money with them," Butler said. "So we've been financially strapped for about a year."