

Louisiana UMC bishop sees huge money toll: Katrina causes financial catastrophe

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Destroyed churches cannot take up collections, at least not to the degree needed to pay pastors' salaries and meet other needs, says United Methodist bishop William W. Hutchinson of Baton Rouge, Louisiana.

Hutchinson told United Methodist News Service that in a worst-case scenario the state conference of more than 90 churches will have to pay out \$1.1 million. "That is a huge undertaking which the conference does not have in reserve funds," he said. He predicted a \$700,000 shortfall for the rest of this year and probably an added \$1.7 million deficit in 2006.

The third large problem is the cost of insurance deductibles for church property in New Orleans Parish, which is valued at more than \$100 million. Complicating the dilemma, the news service reported, is that many district records were destroyed in the flood caused by Hurricane Katrina.