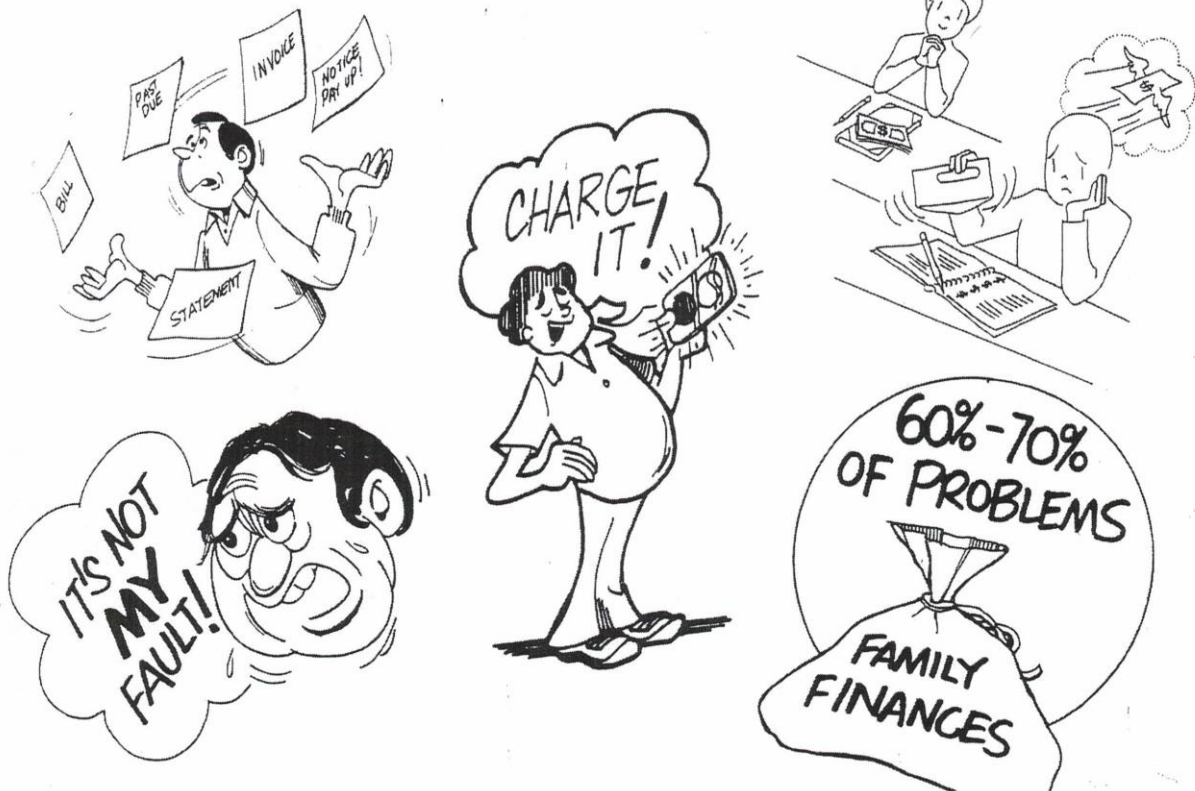




New Dimensions Church
"MANAGING MONEY GOD'S WAY"
May 27, 2020



MANAGING MONEY GOD'S WAY

June 3, 2020

PURPOSE:

To glorify God by establishing spiritual and financial goals, using credit wisely, eliminating debt, preparing for hidden expenses, and making sound financial decisions.

AIM:

To learn to manage our money in a way that reflects our commitment to Jesus Christ.
(Because money is one of God's gifts to us, we need to manage it wisely.)

TOOLS:

The Word of God

A Mind to honor God/discipline

Budget

Guidelines for Giving

What is Godly Money Management?

- Practicing Christian values (when earning, spending, saving, and investing our money)
- Enjoying a Lifestyle (that's determined by our relationship with Jesus Christ, not by the amount of money we have)
- Organizing our Finances (so we can meet our physical and spiritual needs, and some needs of others)
- Using Money Resourcefully (not wasting it)

Why Should I Know About It?

God trusts each of us to be wise stewards. In the Bible, the word "stewardship" means "management." God wants us to manage all of our earthly and spiritual resources wisely – including our possessions, our gifts, and our money.

Therefore, **money management is one of the important parts of our responsibility to God.**

What are The Benefits?

- Peace of Mind (knowing that our basic needs and the needs of your church are being met; supporting your church's efforts to serve others)
- Greater Purpose in Life (life gains new meaning when we manage money in a way that reflects our commitment to Christ)
- Improved Financial Security (ensures that we have money for savings, education, and retirement)
- The Unique Joy of Doing God's Will (such joy cannot be found elsewhere)

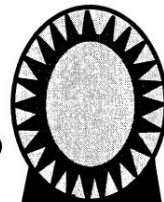
He who is faithful in a very little thing is faithful also in much; and he who is unrighteous in a very little thing is unrighteous also in much. If therefore you have not been faithful in the use of unrighteous mammon, who will entrust the true riches to you?" ---Luke 16:10-11

Self-discipline in finances ("a very little thing") is an essential step toward faithfulness in larger areas.

SOUND DECISION MAKING

PRINCIPLES OF SOUND FINANCIAL DECISION MAKING

1. **Avoid Speculation** (Proverbs 28:22)
... Make no provisions for speculative schemes
2. **Keep Your Finances Current** (Luke 14:28-30)
... Make no provision in your financial planning to borrow money beyond your ability to repay.
3. **Consider Your Witness** (1 Corinthians 10:31)
... Consider every decision on the basis of its effect on the work and reputation of Jesus Christ.
4. **Give to the Needs of Others** (2 Corinthians 9:13)
... Avoid lending to another person in need where giving is possible.
5. **Never Co-Sign** (Proverbs 6:1-3)
... Co-signing means to pledge your assets against the debts of someone else.
6. **Avoid Indulgence** (1 Timothy 6:8)
... Discern the difference between needs, wants, and desires in every purchase.
7. **Prepare for Decreases** (Philippians 4:12-13)
... When you make a financial decision, consider what would happen if you have even a small decrease in funds.
8. **Don't Have Peace? Don't Buy** (Proverbs 10:22)
... Often we are not responsive enough to God's Word or to His presence to hear Him except through that inner turmoil known as **lack of peace**.



EVALUATE YOUR LIFESTYLE/VALUES:
(Answer “Yes” or “No”)

1. Do you try to relieve anger or depression by buying things?
2. Do you think “status” is important?
3. Is acquiring money more important than your family or friends?
4. Do you respond to ads that tempt you to buy things you don’t need?
5. Is it important to own something that’s the “newest” or the “latest”?
6. Is “getting” more important to you than “giving”?

“Take care! Be on your guard against all kinds of greed, for one’s life does not consist in the abundance of possessions.” ---Luke 12:15

GETTING STARTED

GOAL: Living Within Our Means

This means to spend no more than we make on a monthly basis. Ideally that means to live on a cash basis and not use credit or borrowed money to provide normal living expenses. It also means the self-discipline to control spending and keep needs, wants, and desires in their proper relationship.

Needs

These are the purchases necessary to provide our basic requirements such as food, clothing, shelter, transportation, utilities, medical coverage, etc.

“But godliness with contentment is great gain.” ---1 Timothy 6:6

Wants

Wants involve choices about the quality of goods to be used: dress clothes vs. work clothes, steak vs. hamburger, a new car vs. a used car, etc. A point of reference for determining wants in a Christian's life:

“Whose adorning let it not be that outward adorning of plaiting the hair, and of wearing of gold, or of putting on of apparel; But let it be the hidden man of the heart, in that which is not corruptible, even the ornament of a meek and quiet spirit, which is in the sight of God of great price.” ---1 Peter 3:3-4 (not gender specific)

Desires

These are choices according to God's plan that can be made only out of surplus funds after all other obligations have been met.

“Love not the world, neither the things that are in the world. If any man love the world, the love of the Father is not in him. For all that is in the world, the lust of the flesh, and the lust of the eyes, and the pride of life is not of the Father, but is of the world.”

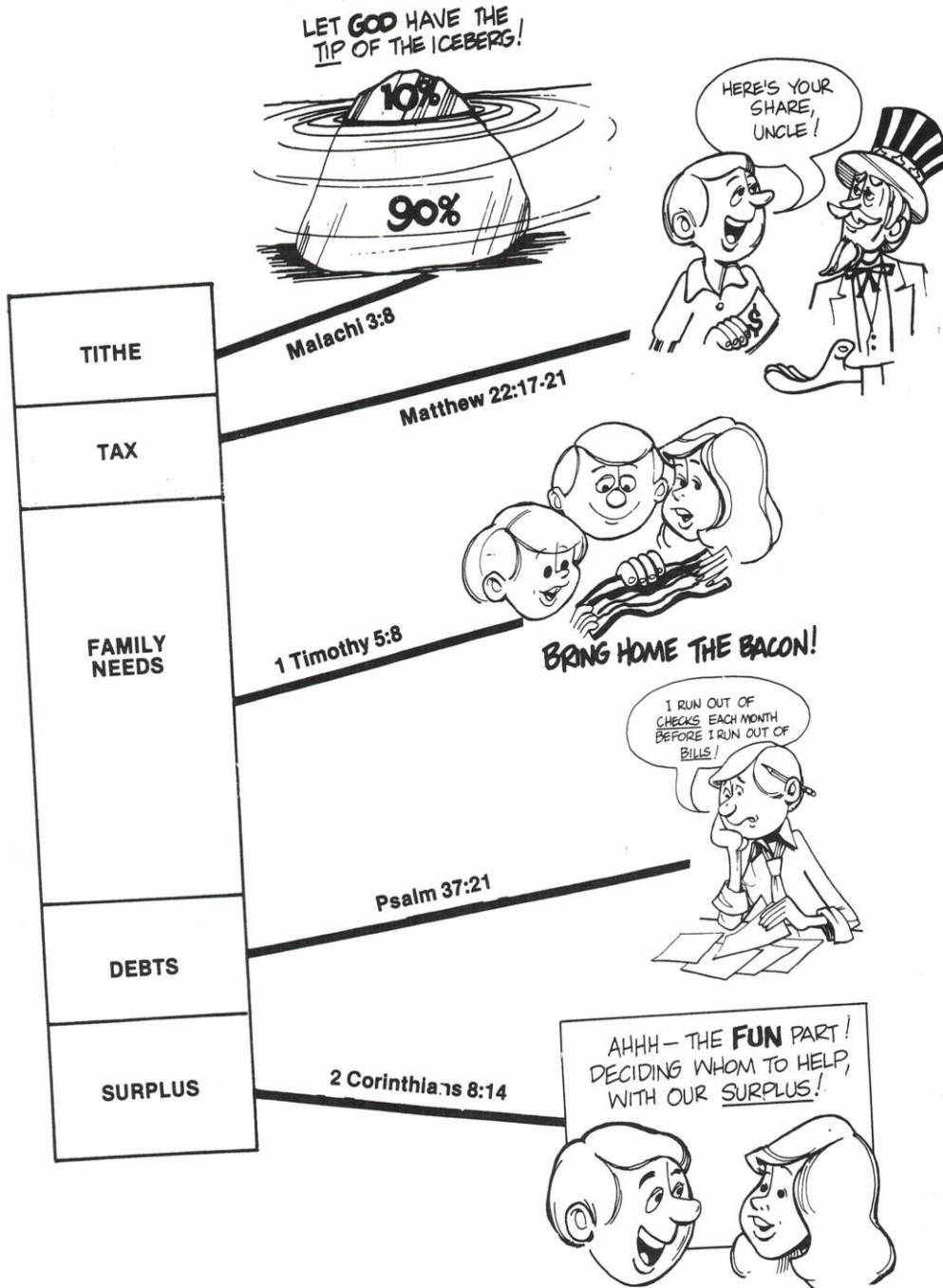
---1 John 2:15-16

NOTE:

“the world” – The world (Greek, cosmos) is the invisible spiritual system of evil organized and dominated by Satan which leaves God out and is a rival to Him.

“pride of life” – Vainglory, display, or boasting about one's possessions; parading what one possesses to impress other people.

RECOGNIZE THE DIVISIONS OF INCOME – Part 1



RECOGNIZE THE DIVISIONS OF INCOME – Part 2

The first part belongs to God

“Will a man rob God? Yet you are robbing me! but you say, ‘How have we robbed Thee?’ In tithes and offerings.” ---Malachi 3:8

“Upon the first day of the week let every one of you lay by him in store as God has prospered him...” ---1 Corinthians 16:2

The government wants its share

“Then He said to them, ‘Then render to Caesar the things that are Caesar’s and to God the things that are God’s’” ---Matthew 22:21

Family needs come next

“But if anyone does not provide for his own, and especially for those of his household, he has denied the faith, and is worse than an unbeliever.” ---1 Timothy 5:8

God says pay our debt

Borrowing was never intended to be used as a ‘routine’ part of financial planning. Furthermore, anything borrowed should be repaid.

“The wicked borrows and does not pay back, but the righteous is gracious and gives.” ---Psalm 37:21

Faithful management will yield a surplus

The creation of a surplus should be a major goal for the Christian. It is the surplus that allows us to respond to the needs of others. Finances should be budget-controlled to maximize surplus.

“But by an equality, that now at this time your abundance may be a supply for their want, that their abundance also may be a supply for your want: that there may be equality.” ---2 Corinthians 8:14

Patience and consistency are the paths to financial security, not quick decisions and instant success.

“The plans of the diligent lead surely to advantage, but everyone who is hasty comes surely to poverty.” ---Proverbs 21:5

A firm financial foundation is built by taking small steps over a long period of time.

WHERE AM I FINANCIALLY? – Part 1

DETERMINING OUR PRESENT FINANCIAL CONDITION

(We must know where we are to get to our destination)

ASSETS

- Items owned, not necessarily paid for; Not items leased (owned by someone else)
- Fair market value (may differ considerably from original purchase), the price the asset can reasonably be expected to sell for currently

Financial Assets

- Various forms of liquid funds (readily converted to cash)
- Cash, savings, investments, money loaned out (only those expected to be repaid)

Non-financial Assets

- Real estate, automobiles, furniture, jewelry, clothing, recreational equipment, collections (Fair market value, see above)
- Business ownership interests in non-incorporated businesses

Deferred Assets

- Retirement plans: IRAs, 401Ks, etc.

LIABILITIES

- Real estate mortgages, bank card and department store charges, installment loans, etc.

Bills Outstanding

- All items that must be paid for in the near future
- Short-term obligations for purchase of clothes, consumable goods and services; bank card charges, charge account balances, utility bills, rent, insurance premiums, etc.
- All outstanding charges—even if you have not received the bill—must be shown as bills outstanding

Installment loan balances

(Only the outstanding loan balance should be shown as a liability)

- All debts for which a series of payments are required over a specified period of time—usually six months to four years
- Appliances, furniture, automobiles, etc.
- Mortgage loans for purchase of real estate
- Educational loans

NET WORTH

- Amount of actual wealth, or equity, in the assets owned
- The amount that would remain after all assets sold for estimated value and all liabilities and debts are paid
- Assets minus Liabilities equals Net Worth
- Net Worth less than zero (0) is considered technically bankrupt and reflects the absence of financial planning.

WHERE AM I FINANCIALLY? – Part 2

WHAT I OWN

Financial Assets

Cash

On Hand \$ _____

Checking Accts _____

Money Market _____

Savings Deposits

At Banks _____

Credit Unions _____

Investments

Government Bonds _____

Corporate Stock _____

Mutual Funds

Cash Value Life Ins. _____

Real Estate, Rental _____

Total Financial Assets _____

Non-financial Assets

Real Estate

Home and Property _____

Vacation Home, Lot _____

Automobiles _____

1) _____

2) _____

Recreational Equipment

Personal Property

Furniture _____

Clothing _____

Jewelry, Silver _____

Collections _____

Total Non-Financial Assets _____

Deferred Assets

Retirement Plans _____

IRA(s) _____

Trust Fund(s) _____

(1) Total Assets _____

WHAT I OWE

Liabilities

Bills Outstanding

Bank Credit Cards \$ _____

Store Credit Cards _____

Overdue Utility Bills _____

Income Taxes Owed _____

Repair Bill(s) _____

Installment Loan Balances

Auto Loan _____

Furniture Loan _____

Mortgage Loan(s)

1) _____

2) _____

Personal Loan(s)

Parent _____

Friend _____

Contingent Liabilities _____

Notes Co-signed _____

Other _____

(2) Total Liabilities _____

Net Worth [(1)–(2)] = _____

SYMPTOMS OF FINANCIAL PROBLEMS

- **Overdue Bills**
Poor planning; borrowing beyond one's ability to repay
- **Get-Rich Quick Attitude**
Attempts to make money quickly with little applied effort
- **Deceitfulness**
Obtaining credit from a lender knowing monthly obligations are overdue
- **Greediness**
Putting material possessions before God
- **Covetousness**
Setting standards and goals based on what others possess; e.g. the Jones
- **Family Needs Unmet**
Standard of living allows "luxuries" that deprive family of "needs"
- **Unmet Christian Needs**
Unable to assist others who are in need, those with legitimate circumstances
- **Over-commitment to Work**
Life devoted to business pursuits to the exclusion of all else
- **Money Entanglements**
"Too many irons in the fire;" entanglements involving continual manipulation
- **Financial Unfairness**
Promoting our own interests to the detriment of others; self-indulger
- **Lack of Commitment to God's Work**
Failing to give a minimum testimony to God (\$ and service)
- **Financial Superiority**
Insensitive to the needs of others (those who are blessed with abundance)
- **Financial Resentment**
"Looking sideways" at those who are blessed with abundance

CREATE A FINANCIAL PLAN (BUDGET)

“For which of you, intending to build a tower, does not first sit down and estimate the cost, to see whether he has enough to complete it?”

---Luke 14:28

Put it on paper

Put your plan in writing. A written plan is our best indicator of where we stand and what we need to do to achieve our financial goals.

Apply Biblical Principles

Let the Bible help us discover God’s purposes for our life. Allow the Word to guide and inspire us.

Be Flexible

Changes in our life can mean we need to map new goals and new directions. Be open to these changes. They can reveal God’s purposes for our finances and our life.

Set Your Goals

- The Immediate Future: establish giving goals first, a savings plan, pay off debt, give more to support church and mission ministries, etc.
- The Next 5 Years: We may want to invest money or make a major purchase. These goals, too, should reflect our commitment to love and honor God.
- The Long-Term: We may wish to plan for retirement, pay off a home mortgage or finance a college education, Think about God’s purpose for our life.
- Keep God’s Goals in Mind:

“Do not store up for yourselves treasures on earth, where moth and rust consume and where thieves break in and steal; but store up for yourselves treasures in heaven.” ---Matthew 6:19-20

BASIC BUDGET CATEGORIES

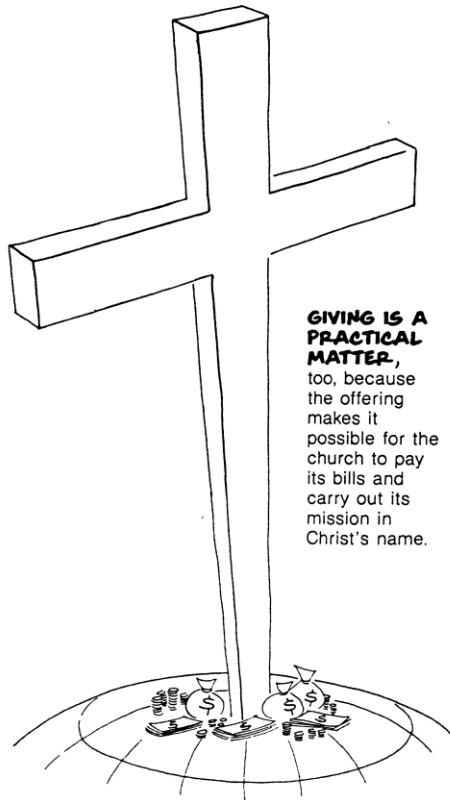
(Percentages and Categories Breakdowns)

- **Giving** — 10% - Giving 10% of your monthly income to church.
- **Saving** — 10% - Saving 10% of your income for retirement, which ideally is within a 401(k) or IRA.
- **Food** — 10% to 15% - Includes grocery shopping and eating out.
- **Utilities** — 5% to 10% - Cell phone, cable, internet, gas, and electricity.
- **Housing costs** — 25% - Rent or mortgage payment, along with property tax, home or renters insurance, home maintenance, HOA fees, and PMI.
- **Transportation** — 10% - Any and all transportation costs, including public transportation, car insurance, oil changes, car payment, gas, DMV fees, and parking.
- **Health** — 5% to 10% - Medical and health care bills (not including health insurance premiums) such as co-pays for doctor visits, prescriptions, and dental care.
- **Insurance** — 10% to 25% - Life insurance, health insurance, and disability insurance. (Auto insurance and home insurance is placed within transportation and housing categories, respectively.)
- **Personal debt** — 5% to 10% - Non-mortgage debt, such as student loan payments, personal loans, or credit cards (put as much as possible towards)
- **Recreation** — 5% to 10% - Fun money. Any lifestyle expenses, such as gym memberships or kids' activities, as well as entertainment expenses like Netflix, Hulu, sporting events, concert tickets, babysitter, and travel.
- **Personal spending** — 5% to 10% - Personal care, haircuts, Amazon purchases, clothes, shoes, home furnishings, home decor, etc.
- **Miscellaneous** — 5% to 10% - "Stuff you forgot to budget for" category.

GUIDELINES FOR GIVING

GIVING MONEY TO THE CHURCH IS A SYMBOLIC ACT

-- the offering of ourselves in
service and devotion to God.



**GIVING IS A
PRACTICAL
MATTER,**
too, because
the offering
makes it
possible for the
church to pay
its bills and
carry out its
mission in
Christ's name.

HOW MUCH SHOULD I GIVE?



THE BIBLE SAYS

that we should set aside our "first fruits" -- that our
offering to God should be the first portion we set
aside, not what remains.



SOME PEOPLE GIVE BY PROPORTION:

for example, \$2 or \$3 per week for every
\$1000 of annual income.

OTHERS SET ASIDE A PERCENTAGE

of their income.

Weekly income	3%	5%	8%	10%	15%
\$150	4.50	7.50	12.00	15.00	22.50
\$200	6.00	10.00	16.00	20.00	30.00
\$300	9.00	15.00	24.00	30.00	45.00
\$400	12.00	20.00	32.00	40.00	60.00
\$500	15.00	25.00	40.00	50.00	75.00
\$700	21.00	35.00	56.00	70.00	105.00
\$1000	30.00	50.00	80.00	100.00	150.00

THE OLD TESTAMENT GUIDELINE

for giving was the tithe
(usually 1/10). How
close do you come
to the giving expected
of the early Christians?



Channing L. Bete Co., Stewardship and You, pp. 12-13

"Now this I say, he who sows sparingly will also reap sparingly, and he who sows bountifully will also reap bountifully." ---2 Corinthians 9:6

Also see Malachi 3:8-10; 1 Corinthians 16:2

MONTHLY INCOME AND EXPENSES FORM

Month: _____

*“Poverty and shame will come to him who neglects discipline,
but he who regards reproof will be honored.” ---Proverbs 13:18*

GROSS INCOME PER MONTH

Salary _____
Interest _____
MONTHLY Dividends _____
Reimbursements: _____
Other: _____

LESS:

1. Tithe/Offering _____

2. Tax (Incl. Fed, State, FICA) _____

NET SPENDABLE INCOME _____

3. Housing

HOA _____
Insurance _____
Taxes _____
Electricity _____
Gas _____
Water _____
Security _____
Telephone _____
Maintenance _____
Other: _____

4. Food _____

5. Automobile(s)

Payments _____
Gas & Oil _____
Insurance _____
License/Taxes _____
Maintenance _____

6. Insurance

Life: _____
Medical _____
Other: Dental _____

7. Debts

Credit Card(s) _____
Loans & Notes _____
Other _____

8. Enter. & Recreation

Eating Out _____
Baby Sitters _____
Activities/Trip _____
Vacation _____
Other: Cell _____
Other: _____

9. Clothing _____

10. Savings _____

11. Medical Expenses

Doctor _____
Dentist _____
Drugs/Vitamins _____
Hospital: _____

12. Miscellaneous

Toiletries, cosmetics _____
Beauty, barber _____
Laundry, cleaning _____
Allowances, lunches _____
Subscriptions _____
Gifts (incl Christmas) _____
Cash _____
Cable/Internet _____

13. Other Expenses

Tuition _____
Materials _____
Transportation _____
Day Care _____

14. Investments

TOTAL EXPENSES _____

INCOME VS. EXPENSES

Net Spendable Income _____

Less Expenses _____

15. Unallocated Surplus Income _____

How to Eliminate Debt

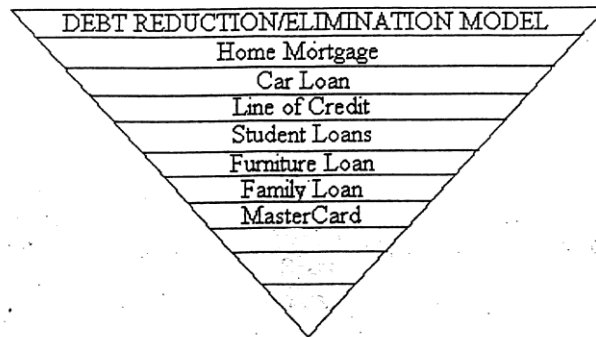
Step 1: **Declare a moratorium on additional debt.**

- No more credit spending
- If you don't borrow money, you can't get into debt.
- If you don't borrow any more money, you can't get further into debt.

Step 2: **Make a covenant with God that from this point on, as He blesses, you will pay off your debts as quickly as possible.**

- Set a target date for being debt-free. When God blesses you financially, use it to reduce debt – not to purchase more things.
- Apply **all** extra income (awards, promotions, cost of living increases, tax refunds, etc.) to your debt-reduction plan.

Step 3: **Make a list of all your debts from the largest to the smallest in descending order, as in the illustration below.**



- Begin by making at least the minimum payment due on each of your debts on a monthly basis.
- Starting at the bottom of the triangle, double-up or increase in any way you can your payment on this debt.
- When the smallest debt is eliminated, then use the money that was paid on the bottom debt to add to the basic payment on the next debt listed.

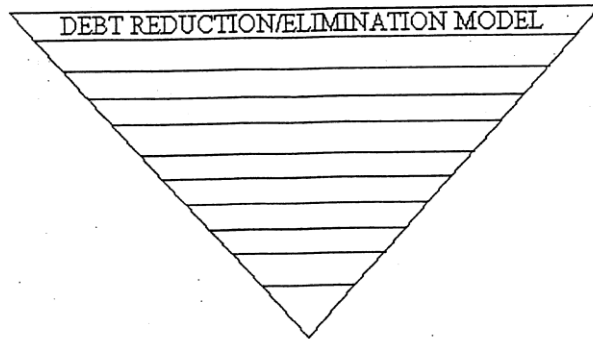
As you eliminate your smaller debts, you will free up a surprising amount of money to place on the next debt. You will have many occasions to praise God for His blessings and for the freedom you are beginning to experience.

When you reach the home mortgage debt at the top of the list, you will be able to use the money once spent on consumer debt to make additional principal payments; reducing the length of your home loan by months or even years.

From *It's Your Money, isn't it?* by G. Edward Reid.

YOUR DEBT REDUCTION/ELIMINATION MODEL:

Date: _____



More Ways to Become Debt-Free

Some things you can do to provide extra cash to speed up Step 3:

- Destroy your credit cards
- Establish a budget
- Set goals, determine that by a certain date you will have a particular debt paid off
- Purchase depreciating items with cash (groceries, gas, etc.)
- Begin economy measures
 - ♦ Don't go grocery shopping when you are hungry
 - ♦ Don't eat out as often
- Have a yard sale

SOUND DECISION MAKING

PRINCIPLES OF SOUND FINANCIAL DECISION MAKING

1. **Avoid Speculation** (Proverbs 28:22)
... Make no provisions for speculative schemes
2. **Keep Your Finances Current** (Luke 14:28-30)
... Make no provision in your financial planning to borrow money beyond your ability to repay.
3. **Consider Your Witness** (1 Corinthians 10:31)
... Consider every decision on the basis of its effect on the work and reputation of Jesus Christ.
4. **Give to the Needs of Others** (2 Corinthians 9:13)
... Avoid lending to another person in need where giving is possible.
5. **Never Co-Sign** (Proverbs 6:1-3)
... Co-signing means to pledge your assets against the debts of someone else.
6. **Avoid Indulgence** (1 Timothy 6:8)
... Discern the difference between needs, wants, and desires in every purchase.
7. **Prepare for Decreases** (Philippians 4:12-13)
... When you make a financial decision, consider what would happen if you have even a small decrease in funds.
8. **Don't Have Peace? Don't Buy** (Proverbs 10:22)
... Often we are not responsive enough to God's Word or to His presence to hear Him except through that inner turmoil known as **lack of peace**.

