

IV. Spend money wisely.

A. Money myths.

1. When money is tight there is no point to making a budget.
2. Budgeting and keeping financial records is too difficult and time-consuming.
3. Budgeting is unnecessary when one is consistently able to pay the bills.
4. Owning more things can make you happy.
5. In this day and age we need a smart phone, a big screen TV, cable TV, and high speed internet.

B. Your money is not really yours. You are a steward of God's resources. Lev. 25:23 Luke 16:10-11 Ps. 24:1 Mt. 6:33 25:14 I Co. 4:2

C. Honor the Lord from your wealth.

1. Give God the first and best of your finances. Pr. 3:9 I Co. 16:2 Mt. 12:44
2. Give generously as God has prospered you. I Cor. 16:2 Pr. 11:25
3. Giving is worship. Heb. 13:16 Phil. 4:18 II Co. 8:9
4. Help your poor neighbors. Pr. 19:17 28:27 14:21,31 21:13 22:9 Ex. 23:6,11
5. Be careful of your motives for giving. Mt. 6:1-4 John 5:44 II Co. 9:7 8
6. God blesses those who are generous. Pr. 3:10 11:25 19:17 22:9 28:27 II Co. 9:7,10
7. Your giving is between you and the Lord.

D. Plan your outgo by making a budget. Pr. 21:5 24:3-4 Luke 14:28-29

1. Plan to spend all of your money to the glory of God. Col. 3:17
2. If you are married, it is essential that both spouses are fully committed. Ge. 2:24
3. Stick to your budget -- by keeping accurate records, writing down every expense.
4. Failure to live within a budget leads to the curse of debt.

E. Control your expenditures. Pr. 27:23-27

1. Learn to live on less.
 - a. Don't make impulsive purchases. Pr. 14:15 22:3
 - b. Don't live beyond your means. Pr. 21:17 23:20-21 25:16 .
 - c. Don't be deceived by the desirability of more stuff. Ecc. 2:1ff
2. Shop and spend wisely – take your time, research, and negotiate.
3. Learn to be content with the basics, distinguishing between necessities and luxuries. Phil. 4:11-13 2:15 I Tim. 6:6-8

F. Practical steps to making and keeping a budget. (See handouts and case study)

1. Write down all your income sources (average per month).
2. Write down all estimated expenses by category (average per month).
 - a. Be sure to include (and pro-rate) expenses which occur once or twice a year – i.e. property taxes, insurance (home, auto, life), etc.
 - b. If you are having a hard time estimating monthly expenses, use receipts from the past several months.
 - c. Plan for emergency expenditures – car repairs, medical bills, home maintenance and repair, etc.
 - d. It is nice to have a little bit of “mad money” which can be spent as you like.
 - e. If possible, save for future expenses -- replace vehicles and appliances, education, retirement, etc.
3. Total expenses, including savings, must be equal to total income.
 - a. You may need to cut back in certain categories in order to balance your

- budget – cell phone, entertainment, gourmet foods, supplements, clothes, etc.
- b. Your other option is to discover ways to earn extra income – working a second job, home-based business, getting a better-paying job, etc.
 - c. If you are having trouble, seek a godly experienced counselor to help you make your budget and to keep you accountable. Pr. 15:22 24:6
4. Keep detailed records of every dollar spent to ensure that you are staying within your budget.
 - a. Stop spending in a category when you run out of money.
 - b. You are free to adjust your budget by taking money from some categories to add to other categories.
 - c. Identify “leaky” categories in which you tend to overspend – i.e. gifts, clothes, electronics, and entertainment (eating out, coffee, movies, videos).
 5. There are various tools which can help you to make and keep your budget.
 - a. Computer spreadsheets.
 - b. Computer programs such as Quicken.
 - c. Online applications such as Mint.com (which is free!).
 - d. The cash/envelope system.
 - e. Multi-column accounting paper spreadsheets.
 6. The best thing most people can do for their budget is to get out of debt.

G. Counseling questions.

1. How can we help people who have a hard time making and keeping a budget?
2. What would you say to someone who says there is no point to making a budget because the money goes out as fast as it comes in?
3. What would you say to someone who says he can't make a budget because he is no good with finances?
4. What if one's spouse is unwilling to work within a budget?
5. What lifestyle best honors God? I Ti. 6:17-19
6. Should I keep giving/tithing if I am in debt?

H. Case study 1 – a basic budget.