

Week 2

Saving / Budgeting /
Purchase Power and
Control

Steps to Financial Freedom

1. Emergency Fund- \$1000
2. Eliminate Debt
3. Increase Emergency Fund
(3-6 month's living expenses)
4. Start Investing for your Retirement
5. Start Investing to help pay for College
6. Pay off Mortgage Early
7. Financial Freedom & Giving Opportunities

Keys to Success in this Course - Review

- Commitment to Christ
- Active Prayer Life
- Open Heart
- Hard work
- Dedication
- Completing the Homework

What does God say about Savings - Review

- Proverbs 21:20 – 20 There is treasure to be desired and oil in the dwelling of the wise; but a foolish man spendeth it up.
- Proverbs 6:6 Go to the ant, thou sluggard; consider her ways, and be wise:7 Which having no guide, overseer, or ruler,8 Provideth her meat in the summer, and gathereth her food in the harvest.
- Proverbs 22:3 A prudent man foreseeth the evil, and hideth himself: but the simple pass on, and are punished.

Tools to help us with Saving -Review

- Budget
- Pay Cash
- Envelope System
- Sinking Funds
- Decisions over time

Budgeting Scripture

- Proverbs 27: 23 Be thou diligent to know the state of thy flocks, and look well to thy herds.
- Proverbs 21: 5 The thoughts of the diligent tend only to plenteousness; but of every one that is hasty only to want.
- Proverbs 24:27 - 27Prepare thy work without, and make it fit for thyself in the field; and afterwards build thine house.
- Proverbs 24:16 - For a just man falleth seven times, and riseth up again: but the wicked shall fall into mischief.

Budget /Cash Flow Plan

- An itemized summary of estimated or intended expenditures for a given period along with proposals for financing them

Why do we need a Budget?

- We need to manage it as stewards
- Managed money goes **further**
- **Money** is listed as the #1 cause of divorce
- Lowers **Fear** / adds **Security**
- Knowing where your money is going helps you to find **problem** areas
- Money is **active** and always moving, we need to manage where it moves

Reasons we do not budget

- People feel that it **restricts** them too much
- They have been **abused** by the budget in the past
- They have never had one that **worked**
- They do not want to find out where the money is going. – fear
- You have to make **changes** in the way you do things

Quotes

- There is no dignity quite so impressive and no independence so important as living within your means.
Calvin Coolidge
- ***"I have enough money to last me the rest of my life, unless I buy something."— Jackie Mason***
- Matthew 6:21 - For where your treasure is, there will your heart be also.

Budget Tips

- Keep it simple
- Keep it realistic
- You have to actually commit to doing it
- Don't leave things out
- Don't use guilt, work together as a team

Budget Cautions

- “A budget tells us what we can't afford, but it doesn't keep us from buying it.” – William Feathers
- “If you wait to do everything until you're sure it's right, you'll probably never do much of anything.”
Win Borden
- 1 Timothy 5: 8 But if any provide not for his own, and specially for those of his own house, he hath denied the faith, and is worse than an infidel.

Marketing

- Companies **compete** for your money
- Bombard you with **advertising**
- Push their product & brand **recognition**
- They study everything about you
- Focus on every **detail**, shelf positioning to packaging color
- Try to play off of your **emotions**
- Proverbs 10:22 - The blessing of the LORD, it maketh rich, and he addeth no sorrow with it.

So what do we do – Always count the cost

- Always seek the counsel of a **spouse**
- Wait **overnight** on purchases over \$300
- Consider your **motives** when you buy
- Things of this world will never **fulfill** you or make you content
- Proverbs 14:29 - He that is slow to wrath is of great understanding: but he that is hasty of spirit exalteth folly.
- Check the opportunity cost
- Understand techniques used to persuade you
- Plan ahead, save up, and pay cash
- Do Your research

Bargaining

- Always be Truthful - Proverbs 11:1 A false balance is abomination to the LORD: but a just weight is his delight.
- Keep your Testimony
- Understand the power of **Cash**
- Use **Walk** away power
- Keep Quiet
- That's not good enough
- Recognize good guy, bad guy and go right to the deal maker
- Be patient
- Trade services

Scripture

- Matthew 14:19-20 - 19And he commanded the multitude to sit down on the grass, and took the five loaves, and the two fishes, and looking up to heaven, he blessed, and brake, and gave the loaves to his disciples, and the disciples to the multitude. 20And they did all eat, and were filled: and they took up of the fragments that remained twelve baskets full.

Where do you find deals? - Proverbs 14:23 - In all labour there is profit: but the talk of the lips tendeth only to penury.

- **Individuals / Classifieds**
- **Auction, online auctions, Estate Sales**
- **Garage / Yard Sale**
- **Repo Lot / Foreclosures**
- **Flea Markets**
- **Consignment Shops**
- **After Season / After Holiday**
- **Black Friday - www.bfads.net**

Coupons Tips for Normal People

- Understand the Language
 - Stackable – Manufacturer & Store Coupon
 - Double Coupon
 - OYNO – On your next order
 - MIR – Mail in Rebate
 - BOGO – Buy One get one Free
- Know the rules of the store, and couponing
- Know where to get coupons

Tools of the trade - "Good things may come to those who wait, but only the things left behind by those who hustle." Abraham Lincoln

- **Refunds / Rebates**
- **Ebates – www.ebates.com**
- **Search Engine rewards**
- **Network with others**
- **Walmart App**

Money Wasters

- Brand Loyalty
- Late Fee / Overdraft Fee / Any Fee
- Failure to Return Items
- Extended Warrantees
- Paying for Storage
- New Cars
- Food Waste
- Gym Membership / Club Membership
- Infomercials

Difficult Budget Cuts

- Cable TV
- Eating Out
- Downgrade your car
- Down size your house
- Cell Phones

