

**“Living Within Your Means”**

**The Bible Provides Us the  
Blueprint!**

# Agenda

- Quiz
- Background (The Bible and Money)
- Bible Principles Regarding Money and Resources
- What keeps Us From “Living Within Your Means”
  - No Plan
  - Improper Use Of Credit
  - Debt-Over Indulgence ( Keeping Up With The Jones)
  - Lack Of Discipline And Faith
  - Not Knowing The True Value Of Money
- Steps to Take to Live Within Your Means
- Summary

# Quiz

1. There are more verses in the Bible regarding Money and Possessions than Faith. True or False
2. There are more verses in the Bible regarding Money and Possessions than Prayer. True or False
3. Per the Bible it is a Christian's responsibility to assist our family members by cosigning their debt. True or False
4. How many verses is the Bible gives instructions on money and Possession?
  - a. Over 400
  - b. 726
  - c. Over 2300

# Background

## The Bible And Money

- There are approximately 500 verses on prayer, fewer than 500 on faith, but more than 2,350 verses on how to handle money and possessions.\*
- Jesus Christ Himself said more about Money and Possessions than almost any other subject; Why?
  1. How we handle our money impacts our fellowship with the Lord.
  2. Possessions compete with the Lord for mastery of our lives.
  3. Much of life revolves around the use of money.

*\* Howard Dayton, Compass Ministry*

# Principle 1: God is the Owner of Everything.

- *The earth is the Lord's, and everything in it, the world, and all who live in it. Psalm 24:1 (NIV)*

# Principle 2: We are the managers of God's Resources; His stewards.

- *For we brought nothing into the world, and we can take nothing out of it. 1 Timothy 6:7 (NIV)*
- *The Parable of the Bags of Gold, "Again, it will be like a man going on a journey, who called his servants and entrusted his wealth to them. Matthew 25:14 (NIV)*

## **Principle 3: Our Purpose in Life is to Glorify God.**

- *“You are the light of the world. A town built on a hill cannot be hidden. Neither do people light a lamp and put it under a bowl. Instead they put it on its stand, and it gives light to everyone in the house. In the same way, let your light shine before others, that they may see your good deeds and glorify your Father in heaven.” Matthew 5:13-16 (NIV)*

## **Principle 4: Prosperity is having what you need when you need it – God Provides.**

- *And my God will meet all your needs according to the riches of his glory in Christ Jesus. Philippians 4:19 (NIV)*
- *He will keep in perfect peace all those who trust in him, whose thoughts turn often to the Lord! Isaiah 26:3 (TLB)*

# Principle 5: Debt is Unwise and Dangerous

- *The rich rule over the poor, and the borrower is slave to the lender. Proverbs 22:7 (NIV)*

Debt is a form of Slavery - *Every time we enter into lender/borrower agreement we are actually entering into a master/slave agreement.*

- Debt hinders God's plans for our lives.
- Debt robs us of peace and produces stress.
- Debt pressures are a contributing factor to many divorces.
- Debt kills our capability to give.
- Working more to pay off Debt reduces family time.
- Debt restricts our ability to fulfill the Great Commission.

# Principle 6: The Tithe and Giving are Demonstrations of Faith

- *Bring the whole tithe into the storehouse, that there may be food in my house. Test me in this," says the Lord Almighty, "and see if I will not throw open the floodgates of heaven and pour out so much blessing that you will not have room enough for it. I will prevent pests from devouring your crops, and the vines in your fields will not cast their fruit." Says the Lord Almighty. Malachi 3: 10-11*
- *"Each of you should give what you have decided in your heart to give, not reluctantly or under compulsion, for God loves a cheerful giver. And God is able to bless you abundantly, so that in all things at all times, having all that you need, you will abound in every good work." —2 Corinthians 9:7-8*



# Livings Within Your Means - Why Give?

- **Giving is an Act of Worship**

*“For where your treasure is, there your heart will also be.” Matthew 6:21*

- **Giving as an Act of Love**

*“If I give all I possess to the poor and give over my body to the flames, but have not love, I gain nothing.” 1 Corinthians 13:3*

- **Giving to Develop Character**

*“Command them to do good, to be generous and willing to share. In this way they will lay up treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life” 1 Timothy 6:18-19*

*“Each man should give what he has decided in his heart to give, not reluctantly or under compulsion, for God loves a cheerful giver.” 2 Corinthians 9:7*

# Principle 7: We all have to give an account to the Lord.

*And I saw the dead, great and small, standing before the throne, and books were opened. Then another book was opened, which is the book of life. And the dead were judged by what was written in the books, according to what they had done. Revelation 20:12*

# What Keeps Us from Living Within Our Means?

- No Plan
- Improper Use of Credit
- Debt-Over Indulgence ( Keeping Up with the Jones)
- Lack of Discipline and Faith
- Not knowing the true value of money
- Not Seeking Assistance

# Why We Need a Plan (Spend Plan or Budget)

- **It's Wise –**

*Know the state of your flocks, and put your heart into caring for your herds, 24 for riches don't last forever, and the crown might not be passed to the next generation. 25 After the hay is harvested and the new crop appears and the mountain grasses are gathered in, 26 your sheep will provide wool for clothing, and your goats will provide the price of a field. 27 And you will have enough goats' milk for yourself, your family, and your servant girls. Proverbs 27:23-27*

- **So We Can Prosper –**

*"But don't begin until you count the cost. For who would begin construction of a building without first calculating the cost to see if there is enough money to finish it? Otherwise, you might complete only the foundation before running out of money, and then everyone would laugh at you. They would say, 'There's the person who started that building and couldn't afford to finish it!'" Luke 14:28-30 (NLT)*

- **So We Can Give –**

*"On the first day of every week each one of you is to put aside and save, as he may prosper, so that no collections be made when I come. 1 Corinthians 16:2*

# Spend Plans

- A spending plan can help you manage your money more effectively, live within your income limits, reduce your reliance on consumer credit, and save for the things you want.
- You create a spending plan, or budget, by dividing up your income so that it covers your regular expenses -- both essential and nonessential.
- The right spending plan can help you set aside enough to pay your, tithes, bills, have some savings for emergencies, and some money left over in your pocket every month.

# Key points about Spending Plans

## A Spending Plan:

- Becomes your personal strategy
- Is a simple one-page form
- Helps you live within your means
- Helps you avoid too much debt -
- Helps you pay your bills - on-time
- Prioritize Your Expenditures.
- Highlights your savings and money to spend
- Plan For Emergencies

# Your Credit Score Affects Many Facets of your Life...

- Potential Employment
- Insurance Rates
- Interest Rates Paid
- Security Clearances
- Ability to Obtain Housing
- Access to Information
- Credit Limits and Credit Terms



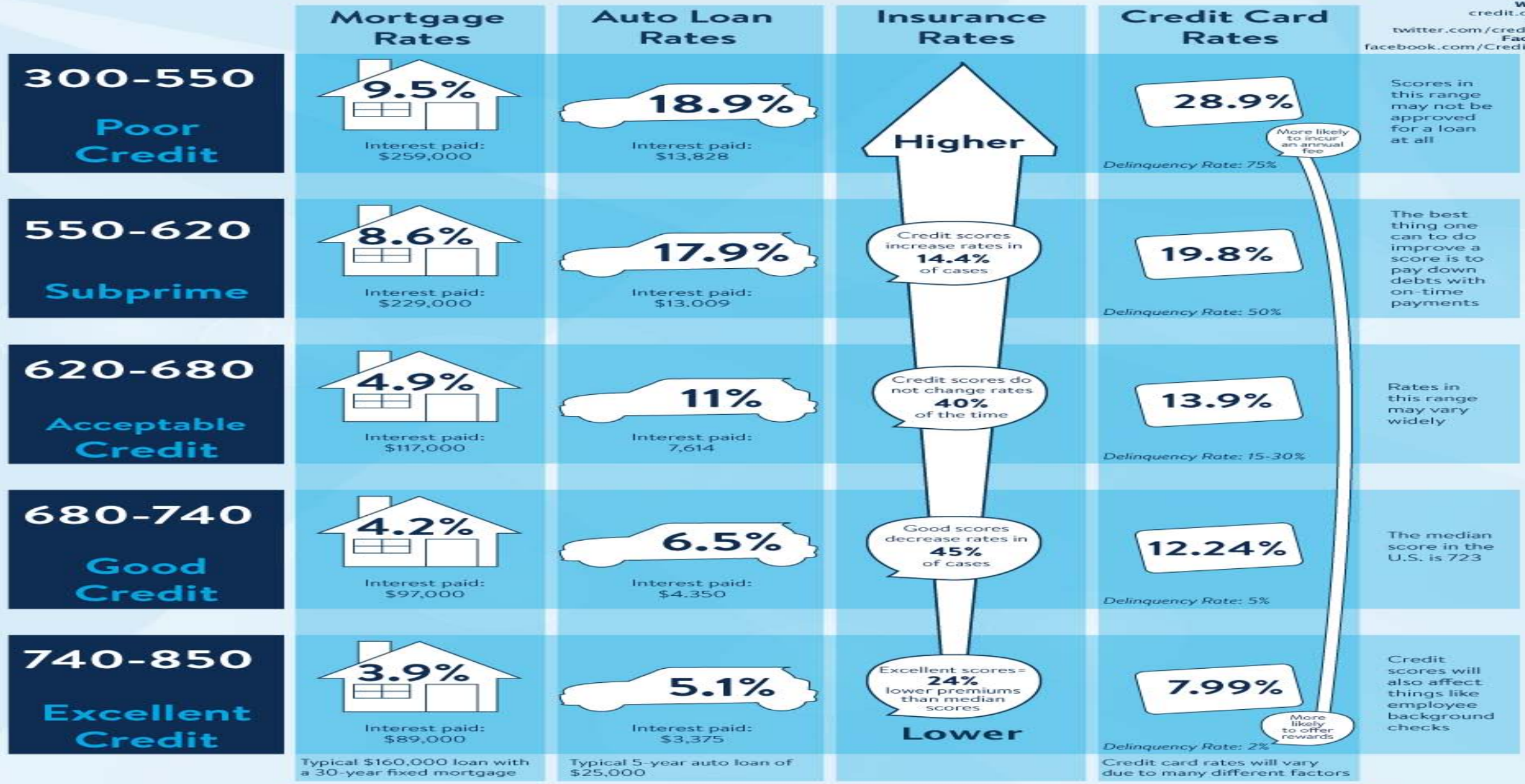
Expect the lowest possible interest rates and best terms.

You will be eligible for most loans with good rates.

Only secured loans are given for people in this range.

# What is a Good Credit Score? credit.org

Website: [credit.org/blog](http://credit.org/blog)  
 Twitter: [twitter.com/creditdotorg](https://twitter.com/creditdotorg)  
 Facebook: [facebook.com/CreditDotOrg](https://facebook.com/CreditDotOrg)



Sources: <http://www.iii.org/issue-update/credit-scoring>  
<http://www.bankrate.com/mortgage.aspx>  
[https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC\\_2015Q3.pdf](https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC_2015Q3.pdf)  
<https://www.kansascityfed.org/~media/files/publicat/reswkpap/pdf/rwp15-02.pdf>  
<http://www.federalreserve.gov/pubs/Bulletin/1996/796lead.pdf>  
<http://www.myfico.com/CreditEducation/Articles/Default.aspx>





## Your Credit Score Impacts What You Pay

<b>VISA Platinum</b>	<b>Annual Percentage Rate For Purchases, Transfers, and Cash Advances</b>
Score Range 760 +	7.99%
Score Range 720 - 759	9.99%
Score Range 680 - 719	11.99%
Score Range 640 - 679	13.99%
Score Range 001 - 639	17.99%

## “The Cost Of Credit”

### Credit Cards - Know What You Are Paying

## Credit Card Purchase

- Purchased - Samsung 4K 65” Flat Screen TV (18 January 2017)
- Cost: \$1600.00
- Interest Rate: 21.5 %
- Your Monthly Payments: \$32.00
- Months to Pay: **128 Months (10.6 Years)**
- Total Interest Paid: **\$2496.00**
- Final Payment Made: **12 March 2026**
- **Total Cost: \$,4096.00**

## “The Cost Of Credit”

### Store Purchase Cards

### Know What You Are Paying

### Revolving Payment

## Zales Installment Purchase

- Purchased – 1.5 Carat “Wedding Ring” (January 2017)
- Cost: \$3800.00
- Interest Rate: 29.24%
- Your Monthly Payments: \$113.44
- Months to Pay: **71 (5.9Years)**
- Total Interest Paid: **\$4087.00**
- Final Payment Made: **November 2021**
- **Total Cost: \$8054.24**

**Financing  
A New Car With  
Excellence  
Credit**

**Credit Union  
Financed**

**Purchase: 2017 Mercedes-Benz C-Class**

- Cost: \$42,448.00 (Tax: \$2,759.00 )
- Down Payment: \$8,000.00
- Loan Amount: \$37,657
- Interest Rate: 3.25%
- Your Monthly Payments: \$536.00
- Months to Pay: 78
- Total Interest Paid: \$4,168.00
- Final Payment Made: June 2023
- **Total Price Paid: \$ 49,865.00**
- **Vehicle Value after 78 months: \$16,009**

**Financing  
A New Car With  
“Damaged Credit”**

**Dealer Financed**

**Purchase: 2017 Mercedes-Benz C-Class**

Cost: \$41,605.00 (Tax: \$2,759.00)

Down Payment: \$8,000.00

Loan Amount: \$37,657

Interest Rate: 6.99 %

Your Monthly Payments: \$602.12

Months to Pay: 78

Total Interest Paid: \$9,308.03

Final Payment Made: 12 July 2023

Vehicle Value after 78 months: \$16,009

**Total Cost: \$53672.03**

## Purchase: 2015 Mercedes-Benz C-Class 300

Cost: \$26,950

19,265 Miles

**Financing  
A Used Car  
With "Damaged  
and Good  
Credit"**

- Taxes: \$1,752.00

Down Payment: \$2,800

- Title & Registration: \$450

Loan Amount: \$26,775.00

- Interest Rate: 3.25%

Interest Rate: 6.99%

- Monthly Payments: \$375.00

\$421.17

- Months to Pay: 78

- Total Interest Paid: \$4,992.31

\$1,740.40

- Final Payment Made: Feb. 2021

- **Total Cost: \$35,666.00**

**\$40,069.00**

- **Vehicle Value after 78 months: \$10,164**

**Credit Union  
Financed**

# Steps to Take to Begin Living Within Your Means

- Prayer and Self Discipline
- Establish a Plan – Spend Plan or Budget
  - *Know Where Your Money is Going*
  - *Begin to pay off Consumer Debt (store, auto, student loans, etc.)*
  - *Retire or limit the use of your credit cards*
  - *Protect your family and assets– Life, Auto or Renters' Insurance, auto, and obtain a will.*
- Give (Trust God)
- Save and Invest
  - *Establish an Emergency Savings Account*
  - *Take advantage of Employer Matching for Savings/Investing*
- Seek Professional Assistance and Advice

# Livings Within Your Means – You Save!

- **For Your Future**

*“Take a lesson from the ants, you lazybones. Learn from their ways and become wise! Though they have no prince or governor or ruler to make them work, they labor hard all summer, gathering food for the winter.” Proverbs 6:6-8*

- **So Your Plans Succeed**

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

- **So You Can Give**

*“On the first day of every week, each one of you should set aside a sum of money in keeping with your income, saving it up, so that when I come no collections will have to be made. 1 Corinthians 16:2*

- **Because It's Just Wise**

*“The wise man saves for the future but the foolish man spends whatever he gets.” Proverbs 21:20*



# Livings Within Your Means

## “Invest With the Wisdom of King Solomon”

- **Know Your Investments**

“Enthusiasm without knowledge is no good; haste makes mistakes.” Proverbs 19:2

- **Carefully Watch Your Investments**

“Know the state of your flocks, and put your heart into caring for your herds, for riches don’t last forever, and the crown might not be passed to the next generation.” Proverbs 27:23, 24

- **Diversify Your Investments**

“Divide your portion to seven, or even to eight, for you do not know what misfortune may occur on the earth.” Ecclesiastes 11:2

- **Use God Given Resources Wisely**

Parable of the Talents, Matthew 25:14-30

- **Obtain Good Counsel**

“Without consultation, plans are frustrated, but with many counselors they succeed.” (Proverbs 15:22)

## One Month Old Childs (529 Education Savings Account)

### The Value of Compound Interest

Parents Starts  
Investing for  
Their Child's  
Education

- Initial Investment: \$2000.00
- Annual Addition: \$1200 (\$100 per month)
- Years to grow: 21 years
- Interest Rate: 6% and 9.5%
- Total Invested: \$25,200.00
- Compound interest time annually
- Future Value: **\$57,670 at age 21 (6%)**  
**\$92,637 at age 21 (9.5%)**

## The Value of Compound Interest

### "A Gift Invested"

A 21 Year old start an Investment with a  
gift of \$2000.00

- Current Principal: \$ 2000.00
- Annual Addition: \$ 900.00 (\$75 per month)
- Years to grow: 44 years
- Interest Rate: 6% and 9.5%
- Total Invested: \$41,600.00
- Compound interest annually
- Future Value: \$205,753 **at age 65 (6%)**  
\$612,717 **at age 65 (9.5%)**

## The Value of Compound Interest

### A 22 Year Old Invests a Gift of \$1000.00

- Current Principal: \$1000.00
- Annual Addition: \$1200.00 (\$100 per month)
- Years to grow: 44 years
- Interest Rate: 6% and 9.5%
- Total Invested: \$52,800.00
- Compound interest annually
- Future Value: **\$259,217 at age 66 (6%)**  
**\$790,450.95 at age 66 (9.5%)**

## A 35 Year Old Begins A Roth Individual Retirement Account

### The Value of Compound Interest

### An Individual Starts A Retirement Fund

- Initial Investment: \$2000.00
- Annual Addition: \$1800.00 (\$150 per month)
- Years to grow: 30 years
- Interest Rate: 6% and 9.5%
- Total Invested: \$54,000
- Compound interest annually
- Future Value: **\$162,329 at age 65 (6%)**  
**\$325,474 at age 65 (9.5%)**

## A 24 Year Old Sergeant Begin A ROTH TSP Retirement Account

### The Value of Compound Interest

An Individual Starts A Retirement Fund

- Initial Investment: \$250.00
- Annual Addition: \$ 3000.00 (for 20 years)
- Years to grow: 41 years
- Interest Rate: 6%      Interest Rate: 9.5%
- Total Invested: \$60,000
- Compound interest annually
- Future Value: **\$397,675.00 at age 65 (6%)**  
**\$1,195,660.00 at age 65 (9.5%)**

## The Value of Compound Interest

An Individual  
Starts A  
Retirement Fund

### A 35 Year Old Man Begin A Roth Individual Retirement Account

- Initial Investment: \$2000.00
- Annual Addition: \$ 3600.00 (\$300 per month)
- Years to grow: 30 years
- Interest Rate: 6% and 9.5%
- Total Invested: \$108,000.00
- Compound interest time annually
- Future Value: **\$313,173.09 at age 65 (6%)**  
**\$620,508.81 at age 65 (9.5%)**

# Summary

- Pray and Have Faith (Use the Bible as Your Blueprint)
- Begin With A Spend Plan or Budget (Follow It)
- Prioritize Your Expenditures.
- Pay The Lord First and Yourself Second
- Pay Bills On Time
- Get Out Of Debt As Soon As Possible
- Plan For Emergencies
- If You Have A Family, Involve Them (Work as one)
- Get Started - Seek Professional Assistance or help from a knowledgeable source