

Smart Living: The Book Of Proverbs
“Creating Habits For Financial Freedom” 3 of 7
Cornerstone Church of Poway
Pastor Ed Turley
July 3, 2022

Big Idea: To have greater financial freedom, I must be **wise** with my wealth and trust that God is my **ultimate provider**.

“Wealth from **get-rich-quick** schemes quickly disappears; wealth from **hard work** grows over time.” **Proverbs 13:11 (NLT2)**

Five Habits To Becoming Financially Free:

Habit #1: Know Where My Money Is Going

“Be sure you **know the condition** of your flocks, give careful attention to your herds; for riches do not endure forever, and a crown is not secure for all generations.”

Proverbs 27:23-24 (NIV)

“Through skillful *and* godly Wisdom is a house (a life, a home, a family) built, and by understanding it is established [on a sound and good foundation],” **Proverbs 24:3 (AMP)**

“Any enterprise is built by WISE **planning**, becomes strong through **common sense**, and **profits** wonderfully by keeping abreast of the facts.” **Proverbs 24:3 (TLB)**

Income = \$ _____
 Expenses = \$ _____
 Margin = \$ _____

Habit #2: Tell My Money Where To Go

“Good planning and hard work lead to prosperity, but hasty shortcuts lead to poverty.” **Proverbs 21:5 (NLT2)**

- Mutual decision between husband & wife
- Be a matter of prayer
- Based on goals: spending, saving, giving

Current Plan = **Live on** _____ % **Save** _____ % **Give** _____ %
 New Goal = **Live on** _____ % **Save** _____ % **Give** _____ %

“The wise have wealth and luxury, but fools spend whatever they get.” **Proverbs 21:20 (NLT2)**

A non-essential I can give up to help reach my goals is:

Margin: _____ = \$ _____

Habit 3: Enjoy What I Have

“True godliness with **contentment** is itself great wealth.” **1 Timothy 6:6 (NLT2)**

“I know how to live on almost **nothing** or with **everything**. I have learned the secret of living in every situation, whether it is with a full stomach or empty, with plenty or little. For I can do everything through Christ, who gives me strength.” **Philippians 4:12-13 (NLT2)**

Habit 4: Commit To Becoming Debt Free Now!

“Poor people are **slaves** of the rich. **Borrow** money and you are the lender's slave.” **Proverbs 22:7 (TEV)**

“Save yourself like a gazelle escaping from a hunter, like a bird fleeing from a net.” **Proverbs 6:1-5 (NLT2)**

- **Baby Step One:** Start an Emergency Fund of \$1,000 build to 3 months income
- **Baby Step Two:** Debt Snowball - accelerate payment on 3rd creditor (smallest amount) while paying minimum on others. When 3rd creditor is paid off, add all of 3rd payment onto 2nd and continue until all debt is paid. Savings of 43 months.

<u>Year</u>	<u>Creditor 1</u>	<u>Creditor 2</u>	<u>Creditor 3</u>
	Largest 6.9%	Medium 6.9%	Smallest 8.9%
	\$20,000	\$10,000	\$3,700
	\$400 / 60 months	\$350 / 33 months	\$155 / 27 months Add \$100 to payment
<u>1</u>	Pay minimum (12 mos.)	Pay minimum (16 mos.)	\$255 / 16 months
<u>2</u>	Pay minimum (12 mos.)	\$350+355 = 9 months	
<u>3</u>	400 [350+355] =12 mos.	25 mos. Paid off	

Habit #5: Put God First In My Finances

“Trust in the LORD with all your heart; do not depend on your own understanding. Seek his will in all you do, and he will show you which path to take. Don't be impressed with your own wisdom. Instead, fear the LORD and turn away from evil. Then you will have healing for your body and strength for your bones. Honor the LORD with your wealth and with the best part of everything you produce. Then he will fill your barns with grain, and your vats will overflow with good wine.” **Proverbs 3:5-10 (NLT2)**

“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 (NIV)**

➤ **Which financial habit do I need to start working on today?**

My next right step to have freedom in my finances, I will:

- Start working on a new spending plan
- Begin the debt snowball now
- Put God first in my finances = Give ___% Save ___% Live on ___%
- Accept Jesus as my Lord and Savior

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[This is only a guide – select the points you want to discuss.]

Open your group with a prayer.

Icebreaker: What would it feel like to have one of your monthly payments paid off?

Big Idea: To have greater financial freedom, I must be **wise** with my wealth and trust that God is my **ultimate provider**.

Read Proverbs 13:11

Have you ever had a windfall that was spent as fast as it came?

Five Habits to Becoming Financially Free:
Habit #1: Know Where My Money Is Going

Read Proverbs 27:23-24

What has helped you to keep track of your finances?

Read Proverbs 24:3

What would help you to be wiser in your financial planning?

Use this or another simple budget to track your spending for 4 weeks.

Income: _____ + _____ = _____

Expenses: Rent: _____ Utilities: _____ Car: _____ / _____ Gas: _____ Ins. _____

Credit: 1. _____ 2. _____ 3. _____ Loans: 1. _____ 2. _____ Other: _____

Food: _____ Fast food: _____ Dining: _____ Entertainment: _____ Clothes: _____

Goals: Savings _____ 401k _____ Giving _____ Large Purchases _____

Current Margin = \$ _____

What are your long-term financial goals?

Habit #2: Tell My Money Where To Go

Read Proverbs 21:5

What is one area that you can tell your money to go to a different place to help you with your goals?

What is your current spending plan? What would you like it to be?

Current Plan = **Live on** _____% **Save** _____% **Give** _____%
 New Goal = **Live on** _____% **Save** _____% **Give** _____%

A non-essential I can give up creating margin to help reach my goal is:

Margin: _____ = \$ _____

Read Proverbs 21:20

What does this verse teach us? What is the warning?

Read Proverbs 21:20

Is it wrong to have nice things? What is the key to having nice things?

Habit 3: Enjoy What I Have

Read 1 Timothy 6:6

Which do you struggle with the most, godliness or contentment? Why?

Read Philippians 4:12-13

Where do you need to be more content and thankful?

Habit 4: Commit To Becoming Debt Free Now!

Read Proverbs 22:7

How have you found this proverb to be true?

- **Baby Step One:** Start an Emergency Fund of \$1,000, building to 3 months income
- **Baby Step Two:** Debt Snowball: accelerate payment on 3rd creditor while minimum on others. When 3rd creditor is paid off, add all of 3rd payment onto 2nd, and continue until all debt is paid. Savings of _____ months

Use this chart and debt calculator to create a snowball effect on your debts:

<http://www.youcandealwithit.com/borrowers/calculators-and-resources/calculators/debt-repayment-calculator.shtml>

Year	Largest _____%	Medium _____%	Smallest _____%
	\$ _____	\$ _____	\$ _____
Payment	\$ _____ / ____ mo.	\$ _____ / ____ mo.	\$ _____ / ____ mo.
1	minimum (12mo)	minimum (____? months)	\$ _____ / _____ months?
2	minimum (12mo)	\$ _____ + _____ = _____ months	
3	_____ + [_____ + _____] = _____ months?	_____ months paid off?	

Habit #5: Put God First In My Finances

Proverbs 3:5-10 (NLT2) and 2 Corinthians 9:7-11

What Has God laid on your heart to give in a cheerful way?

What is God's promise?

Close in Prayer: Start praying. Be bold and pray specifically.