

Pathway to Financial Health and Freedom

Practical Helps to Get Out of Financial Trouble
Grace Church | Middleburg Heights Ohio

When you manage your finances God's way you can expect God's blessing and provision. And with God's blessing you can improve your financial situation, whatever it is now. There is hope...and there is help. There is no quick fix but the sooner you get started the sooner your situation will begin to improve.

*If you are faithful in little things, you will be faithful in large ones.
But if you are dishonest in little things, you won't be honest with greater responsibilities.
And if you are untrustworthy about worldly wealth,
who will trust you with the true riches of heaven?*
Luke 16. 10 & 11

Step One. The first step out of financial trouble is to understand where you stand financially and how you got there. It's important to take an honest and accurate look at your income, your expenses and your debt.

Step Two. The second step is to develop a plan or budget that will balance income with expenses and pay off debt. If you've not used a plan before it may be hard at first but working your plan will lead you out of trouble and into financial freedom. When the going gets tough, always remember the goal is to experience the joy and freedom of having enough money to live on without depending on others or going into debt.

Developing Your Plan. There are basically two ways to improve your finances – increase income or decrease expenses, including debt.

- On the income side...
 - If you are unemployed or underemployed...
 - Attend Job Seekers NetWORK on the 1st and 3rd Mondays at Grace Church. For more information go to www.gracecma.org/needs/job-seekers.
 - Ask Pastor Barta to add you to the list of people who receive information about job openings he hears about.
 - Be willing to work any job, while you seek the job you prefer.
 - Work a second job to supplement your income until you are financially stable.

*A hard worker has plenty of food,
but a person who chases fantasies ends up in poverty.*
Proverbs 28.19

- It's reasonable for each working adult in your household to help pay the bills. Talk with them and come to an agreement about an appropriate amount.
- Avoid using loans and credit cards altogether because they invariably increase debt. Even 0% credit cards eventually charge interest on the unpaid balance. Also avoid payday loans and title loans because they will only make

your situation worse. Debt consolidation can often make your situation worse too. It's better to negotiate a payment plan with each lender and creditor.

*Just as the rich rule the poor,
so the borrower is servant to the lender.*

Proverbs 22.7

- Why not tell your family about your need and ask them for help?

*But those who won't care for their relatives,
especially those in their own household,
have denied the true faith.*

Such people are worse than unbelievers.

1 Timothy 5.8

- Consider getting a degree – GED, Associate's, etc. It can eventually result in increased income. Seek wise counsel before going into debt to do so.

- Avoid playing the lottery and gambling. These are not reliable ways to increase your income.

*Greedy people try to get rich quick
but don't realize they're headed for poverty.*

Proverbs 28.22

- On the expense side...

- It's best to make purchases with cash, debit card or check.

- It's important to pay off credit card debt. Start with the card having the smallest balance and pay it off then cancel the account and destroy the card. Then use the money you no longer need for that card to add to your monthly payment on the next card. With each card you pay off, you will have more money to apply toward the next card. Repeat this until all your credit cards are paid off and all accounts are cancelled.

- Learn to deny your wants (non-essentials) until your needs (essentials) are met. Refrain from spending money on things like alcohol, tobacco, lottery, eating out, online shopping, vacation, coffee shop, etc. at least until your finances are under control. You may find you can go without permanently or cut back.

But godliness with contentment is great gain.

1 Timothy 6.6

- Don't give or loan money to others. It may end up leaving you short of money for yourself at some point. Then you and them could be in trouble.

*Don't agree to guarantee another person's debt
or put up security for someone else.*

If you can't pay it, even your bed will be snatched from under you.

Proverbs 22.26 & 27

- There is no shame in shopping thrift stores, visiting the community food pantry or buying used furniture, appliances and car...even if you have money to buy new. It's actually really smart!
- Track your expenses to get a handle on what money is going where.
 - One free tool is the EveryDollar budget app – www.everydollar.com.
 - Another approach is the envelope system. For an explanation of how it works go to <https://www.daveramsey.com/blog/envelope-system-explained>

*Know the state of your flocks,
and put your heart into caring for your herds.*
Proverbs 27.23

Common-sense Pointers

- Recognize that all you have belongs to God. He is the Giver of every good and perfect gift. You are just a manager of what belongs to him.
*But who am I, and who are my people, that we could give anything to you?
Everything we have has come from you, and we give you only what you first gave us!*
1 Chronicles 29.14
- Spending money you do not have will eventually lead you into a financial bind. Be smart and learn to live within your means.
- It is important to have a fund for emergencies like a car repair, new hot water tank, furnace repair, etc. This may seem impossible to you but it's important for your long-term financial health. Some even suggest building this fund before paying down debt.
- The Bible teaches the importance of tithing but you may wonder if you should tithe while struggling financially. For a perspective on this we invite you to read this helpful article: www.daveramsey.com/blog/give-while-in-debt.
- If you are behind with rent/mortgage or utilities it's best to ask for help before you receive an eviction notice or a disconnection notice.

Personal Finance Classes and Resources

Understanding and practicing the basics about personal finance is essential to getting and staying financially healthy. The following ways can be helpful.

- **Affirming Potential.** Affirming Potential is an 11-week class evaluating the physical, emotional, relational, and spiritual areas of life. It builds on the foundational truth that God has created us with intrinsic worth and unique potential. No cost. For complete details and to register visit www.loveinccouyahoga.org then click "Classes" or call 216.459.0405.
- **Faith and Finances.** Faith & Finances® is a 12-week class exploring how to overcome financial obstacles, become debt free, and save for the future. It is

designed for people living on lower incomes. \$10 cost; scholarships are available. For complete details and to register visit www.loveinccouyahoga.org then click "Classes" or call 216.459.0405.

- **Financial Peace University.** *Financial Peace University* will help you take control of your money and plan for your future. It is offered throughout the year at Grace Church. Call the church for information.
- ***Financial Peace Revisited*** by Dave Ramsey. In this new edition of the book entitled **Financial Peace**, Ramsey has updated his tactics and philosophy to show even more readers:
 - how to get out of debt and stay out
 - the KISS rule of investing—"Keep It Simple, Stupid"
 - how to use the principle of contentment to guide financial decision making
 - how the flow of money can revolutionize relationshipsWith practical and easy to follow methods and personal anecdotes, *Financial Peace Revisited* is the road map to personal control, financial security, a new, vital family dynamic, and lifetime peace.
- **Dave Ramsey's Newsletter.** This free weekly newsletter contains money advice and tips you can easily apply to your daily routine. <https://www.daveramsey.com/newsletter>
- **Personal Financial Counselor.** When the situation warrants, a church financial counselor will be assigned to you at no charge. They will help you assess your financial standing and work with you to develop an effective plan for financial health and wellness.
- **Emergency Relief Fund.** Regular attenders of Grace Church who are in a money crisis can apply for financial assistance. Call the church for complete information.

Feel free to call Pastor Dennis Barta at 440.243.4885 x117 with any questions.

When the Philippian believers honored God with their money
he promised to provide for their needs.

And my God will meet all your needs according to the riches of his glory in Christ Jesus.
Philippians 4.19

You can trust the Lord to do the same for you!