

Lab Discussion 3

3) In our Case Study, I feel that the situation is fixable with somewhat major changes. The situation would warrant recommendation that the rental home be sold which will allow all debt to be paid off except the primary home mortgage. This should be able to allow the couple to fit in to a workable budget with the agreement on certain item cuts as well as eliminating some items. The hope is that these changes will alleviate much stress in the marriage and along with counseling and God's word and biblical teaching they will be on their road to a more harmonious marriage.

4) There are as mentioned a number of areas that can be reduced in spending that will allow the couple to work in to a budget that. They include:

- Home- Electricity consumption, Phone service reduction, Yard Maintenance.
- Entertainment- Lunches, Movies, Kids, Health and Subscriptions.
- Transportation- Insurance, Maintenance and Transit/Tolls.
- Investments (This can be put on hold until built in to the budget)
- Miscellaneous- Several line items can be reduced/eliminated.
- Food

5) The investments stopped and budget items reduced/eliminated should free up extra dollars to begin building up an emergency fund that based on the Money Map would include 3 month up to 12 month of emergency savings. Hopefully, they will catch the vision and enjoy the freedom that will spur them on to even more budget cuts to speed up the process of becoming financially secure.

The Credit Card debt would be paid off in full along with the car with the gains associated with selling the rental home. With the sacrifice of making this major life change, they need to be in agreement that debt will not be an option

moving forward.

All other consumer debt other than the primary home mortgage will also be eliminated with the sale of the rental.

In working with the couple it will be important to touch on Biblical principles for finances in addition to truths in scripture about the Lordship of Jesus Christ that concerning eternity he is the way, the truth and the life.