

# **Christian Manhood**

*Study Pack 05*

**Dr. Dan Reehoff**

## STUDY PACK 05

### Biblical Money Basics – Priorities and Budgeting

Last week, we talked about God's word and money. This week: \_\_\_\_\_ and \_\_\_\_\_ . This one, admittedly, last week as we went through scripture and kind of saw what God had to say about our finances, and what our relationship should be in regard to those finances, is a little different.

Bible verses, you start to work your way through, and it's really \_\_\_\_\_ speaking to us. As we get into the practical application of that principle: that it is all God's, admittedly, it begins to hit home a little bit differently. Because if God's word is what it says it is, and if He calls us to do something, then it calls us to \_\_\_\_\_ .

And sometimes that action can be \_\_\_\_\_. Because a lot of us feel like we've got our finances under control, everything is good. We're maybe not in debt, maybe we have everything that we need, and life is hunky-dory.

But the question is not: Are you \_\_\_\_\_? The question is: Are you being a wise \_\_\_\_\_? And that's what we're going to talk about tonight: priorities and budgeting. Next week: faith and planning.

#### **1 Timothy 6:6–7 –**

*But godliness with contentment is great gain. For we brought nothing into this world, and it is certain we can carry nothing out.*

It starts with being a godly, righteous person, following after the Lord, and then having contentment. And with that, \_\_\_\_\_ can be rich. \_\_\_\_\_ can be rich if we're godly and we're content.

Maybe not in money, but we can be rich in that way. I'm not saying it; God's Word is saying it. Godliness with contentment is great gain.

And then the qualification for that contentment has to do with \_\_\_\_\_ being met. If we had food and raiment, let us therewith be content. That removes a lot of what we would typically think that we \_\_\_\_\_ for contentment.

#### **Philippians 4:11 –**

*Not that I speak in respect of want: for I have learned, in whatsoever state I am, therewith to be content.*

Notice that word 'learned'. Paul experienced that. It is not something that comes \_\_\_\_\_ to any of us— to be content, especially in the United States, and we went over that.

But we are called to be content. Paul learned it. He experienced it.

And my challenge to myself, my family, and the challenge I believe from God's Word to all of us is that you and I \_\_\_\_\_ to be \_\_\_\_\_. It is something we have to make a concentrated effort at learning, to be content. It is not natural.

And this is how we ended last week. Once we realize that what we have is exactly what God \_\_\_\_\_ us to have, it is then our responsibility to be wise stewards of what is ultimately \_\_\_\_\_. And we ended with one final illustration.

The question is: If what I have is between here and there, do I reserve this amount for God and the rest is for me, or is it \_\_\_\_\_ His? If it's \_\_\_\_\_ His, I believe biblically speaking we have three main priorities. Perhaps you could add more to these. Perhaps you could narrow them down.

But I think you could break it down into these simple three things. \_\_\_\_\_, what we talked about last week. Learning to be content with what God has given us.

But then, how do we \_\_\_\_\_ what God has given to us? How do we steward the resources in a way that is \_\_\_\_\_ - \_\_\_\_\_?

And I believe, and you could lump this into stewardship, but I believe it can be a separate category, and we'll look at the scripture that talks about that, but I believe generosity is a biblical imperative. I believe we are called to be \_\_\_\_\_. We're going to look at scripture and see what we can learn from that.

But we're going to start first with stewardship.

### **1 Corinthians 4:2 –**

*Moreover it is required in stewards, that a man be found faithful.*

Would you be found faithful in regard to the stewardship of your money?

You see, there are only two options. We can be \_\_\_\_\_, or we can be, what's the other option? \_\_\_\_\_. We can ignore what God says. We can mismanage our resources. We can use God's resources for our own desires.

That might be the category that is perhaps the most convicting. How often do we use \_\_\_\_\_ resources for our \_\_\_\_\_ satisfaction? There is nothing wrong with having nice things. The question is: Who do you believe those things belong to ultimately? Are they \_\_\_\_\_, or are they \_\_\_\_\_? Because if they're God's, it might change how you use those things.

What does proper management look like? I believe it includes these things. You cannot \_\_\_\_\_ unless you know what \_\_\_\_\_ are available. And that's what we're going to focus on tonight as we begin.

Knowing what resources are available. Then the second thing: \_\_\_\_\_ those \_\_\_\_\_. If you don't know what you have, and you aren't controlling what you have, you are not properly managing or stewarding your finances.

And then: \_\_\_\_\_ appropriate \_\_\_\_\_. As we end tonight, Jenny is going to come up and talk about the aspect of budgeting. Last week you heard from Jenny talk about the debt that she had coming out of college and then getting married, and what that did to not just her finances, but to her marriage, to her family.

You see, that is where anything can lead. The question is: Are we willing to take action now to stop it from becoming much \_\_\_\_\_ than perhaps it is, or \_\_\_\_\_ it from happening at all?

**Proverbs 24:3-4 –**

*Through wisdom is an house builded; and by understanding it is established: And by knowledge shall the chambers be filled with all precious and pleasant riches.*

Does this mean we're going to get rich in the sense of we're just going to have tons of stuff? No, I don't believe the Bible teaches that either. Nowhere in the Bible do we see a promise that if \_\_\_\_\_ give this, \_\_\_\_\_ will give you this back. We see principles of generosity, but we do not see God promising anybody to become rich.

Look throughout the New Testament. What we do see is God telling people to give toward worthy causes. We do see churches giving to each other, but in this proverb, what we do see? Through \_\_\_\_\_ a house is built.

You know, I've had the opportunity to build a few things, and one of the things that sometimes I think we do as Christians is it's easy to say, "Well, I don't need to know everything about economics. I mean, look, all of our leaders, they spend like there's no tomorrow." And that's true.

Look at our national debt. They do not have a budget. Well, they don't stick to it, I'll tell you that much right now.

Okay, that's a bad example, but here's the thing. Do we have to \_\_\_\_\_ the principles of economics because we're \_\_\_\_\_? It would be like me telling you this. You know what? I just don't like the way they teach carpentry.

I'm going to build a house however I want because I'm a Christian. No, you look at me and you'd be like, "You're absurd."

"You know what? I'm going to use a hot glue gun rather than nails. It just makes more sense to me."

No, no, no. Why can't we take the principles and apply them to be \_\_\_\_\_ stewards to resources? Does that make sense? We can take what the, and I don't mean the world's ideas, but concepts, the data, the information, and we can apply it to become \_\_\_\_\_ stewards.

We shouldn't be ignorant regarding these issues. But sometimes we say, "Ah, it's just too complex and I don't want to become involved in that." Well, guess what? We're \_\_\_\_\_ to be stewards.

Don't use that as an excuse. Don't use that as an excuse. First step in proper management, and this is where the rubber meets the road, and boy, oh boy, this is where people will break out into hot sweats.

You know what I'm saying? Or cold sweats or something, whatever it is. People hate \_\_\_\_\_. That is why here at our church, we have an entire Finance Office.

You know what that Finance Office does? They call all of us that have a church card, and you know what they say? We need those receipts, like now. Because what does our church do? Our church keeps a \_\_\_\_\_ of our finances. During our annual meeting, you are presented with that information, one of which we will go over today.

Not for our church, but a \_\_\_\_\_. But we keep good records here. I have on numerous occasions had to go down to the finance office and say, "Cindy, do you have that receipt from early 2000's?"

Do you know what Cindy has? The receipt from the early 2000's.

It's amazing how good the record keeping is here at this church. As a matter of fact, most businesses have fairly decent record keeping.

Maybe not Enron or Bernie Madoff. He just had a separate set of books. But you get the idea. Most businesses as a whole have good record keeping.

Some of it they are required to have. Why would we not have good record keeping as \_\_\_\_\_ or \_\_\_\_\_? Many times we don't because it's an excuse. I'm too busy. It's just too overwhelming.

Well, are we called to be good stewards or are we not? If we're called to be good stewards, then perhaps we need to consider this in a little different light. What does good record keeping do? It enables \_\_\_\_\_.

The truth is, you and I, unless we've made a diligent effort to practice this, we don't know exactly where \_\_\_\_\_ is \_\_\_\_\_. There are so many ways that you can now keep track of paperwork. Most of us have a smartphone, right? I use a little app called Tiny Scan.

I love that app. It takes a picture, makes a PDF, and sends it right to my computer. I don't even have to keep the paperwork.

You can do it in the checkout line. You can do it at the store, you know, whatever. You've got a contract, scan that thing.

It doesn't even take up any room. You don't even have to have a file folder anymore. Boy... has that changed.

I was actually talking with my father-in-law about this a little bit, and he had had a list that he and I were comparing back from the early 2000's. One of the things that used to be on there were Certificates of Deposit, stocks, all these different things that you used to get paper copies of things. It's so different now.

Everything is digital. Let's use it to our advantage. \_\_\_\_\_.

Keep track of things. Here's the other thing that it really, really helps in. Aids and planning for \_\_\_\_\_.

How many of you love tax season? Kyle Anderson loves tax season. That is his favorite time of year. Okay, well, Kyle, you are definitely in the minority.

Well, I'll have you come up and talk about why you love taxes so much. I can only imagine. Most of us do not like tax time because anybody that has to put together, especially as I look out across this room, there's business owners and self-employed people and people that have to take different deductions.

It's a pain. If in two weeks before tax time, that's the time you decide to put together all your expense receipts. Isn't it? It's a headache.

It's a real, real headache. My brother-in-law, Andy Guerrero, is CPA up in Minnesota, has his own accounting firm. And the number of people that show up, yeah, three, four days before tax time, before taxes are due, with a stack of paper and then ask him to go through it, and then you know what inevitably happens? He has to send back a list of questions.

What was this? What was this? Because people are not that organized. As \_\_\_\_\_, I know we can do better. I know we can do better.

Let's do better at the paperwork side of things, keeping track of things. Here's another thing, and this has an actual economic benefit to a lot of people that they don't even realize: \_\_\_\_\_

\_\_\_\_\_.

If you and I can make a mistake with our books, have we ever considered that the bank can as well? How about your insurance company? How about at the closing table of a house? You ever look at your Alta, the closing statements you get, and be like, whoa, I could have walked it to the title company for a lot cheaper than they paid for that stamp. Because I don't know what stamps they're buying, gold-plated or what, but that's expensive, right? Those of you who have never bought a house, you're like, what on earth is he talking about? The truth is: they make mistakes, too. Did you know there is an entire website that is dedicated to unclaimed money in Illinois? If you put your name in, you might be amazed.

If you've ever canceled an insurance policy, perhaps you've bought and sold a house, and they can't find you, put your name in there. Here's the thing, if you don't know what's \_\_\_\_\_, no one's going to volunteer that information. But you have to know your finances well enough to know where it might be

\_\_\_\_\_.

We need to be good stewards of our money. Here is another very, very difficult thing. It takes

\_\_\_\_\_.

After last Wednesday, this popped up. In every marriage, there is one person who \_\_\_\_\_ the finances and another person who's having a \_\_\_\_\_. I made the mistake last week of mentioning Starbucks.

It was an innocent reference. Honestly, completely innocent. I don't mind Starbucks either.

That's great. You know what? I've got things you would be looking at and say, "Well, guess what? Why do you spend money on that?"

"I don't know, because I like it."

But here's the thing. It takes everybody to be involved in \_\_\_\_\_. If you're married, it requires you and your spouse. As your kids get older, I would encourage you to get your kids involved.

Sometimes we have to \_\_\_\_\_ where we're at with our record keeping. Have you noticed Home Depot, you can tell where I shop, the Home Depot used to have a very, very generous return policy. You didn't even have to have a receipt, and they would return it, and it would be in the form of store credit.

But economic times, inflation, theft, many different reasons. Home Depot has changed that policy. You now better have that receipt, because they will not return an item.

You know what that means? I've become really diligent about making sure I have a receipt for a purchase at Home Depot. Now Costco, on the other hand, they will take back used milk. I mean, it's just unbelievable what they will do, but trust me, enough people take advantage of it, that'll change too.

But the big picture is: Are you keeping good track of your finances? Work together with the people in your household and \_\_\_\_\_.

Here are a few simple steps that I think we can apply in regard to record keeping. Who \_\_\_\_\_ the transactions? Who is \_\_\_\_\_ your finances in your house? Who's \_\_\_\_\_ of them? If the answer is \_\_\_\_\_, that's problem one.

If the answer is \_\_\_\_\_, that's awesome. If it's one of you, that's fine too. It doesn't matter who, just decide who's going to handle this.

Second one, \_\_\_\_\_ are \_\_\_\_\_ stored? This is helpful in a couple of regards. Where is all this information? Much of it is digital nowadays. Much of it is digital.

Where do you keep your logins? Where do you keep your passwords? If the answer is on a Post-it note on your computer screen, that's a bad answer. I'll just let that sit for a while. I would strongly encourage something different than that.

Joe Sortman and I will have numerous conversations about passwords on occasion. I highly suggest using a password keeper of some sort. If you don't know what that is, just Google it.

It's not super hard, but I can't suggest it enough. Everything requires logins today.

More importantly, make sure your \_\_\_\_\_ where that's at as well. Because, heaven forbid, something does happen to you, whichever one is in control of that, would your spouse know where to find that information? I know it's a morbid topic, but it's best to not be surprised for a couple of reasons.

Number one, in some situations, there may not be \_\_\_\_\_ for anything else, and it could leave your spouse in a desperate, desperate situation. Number two, why leave it to end up on the \_\_\_\_\_ website? I'm being slightly facetious, but also very serious in regards to this. Know where your records are kept.

\_\_\_\_\_ to \_\_\_\_\_ transactions. Talk about this.

Do I do it daily? Do I do it at the end of the week? Do I do it monthly? Do I do it two days before tax season? I don't know. Pick a time. Pick a time of \_\_\_\_\_ to \_\_\_\_\_ different transactions.

And by the way, if all of this verbiage is like, wow, I'm losing this, okay, come talk to somebody. Come talk to somebody. Don't get lost in the vocabulary.

\_\_\_\_\_. If this doesn't mean anything, take that first step of being serious about being a steward of what God has given you. And then, how to \_\_\_\_\_ transactions.

This is interesting because this has changed over the years. There are very, very helpful tools. There are tools that will allow you to attach a receipt to your credit card transaction.

You say, "There is no way I'm doing that." Okay, well, find what works for you. But take that step in regards to your recordkeeping.

Consider those options. It's an important, important thing. Here is the next important step.

And \_\_\_\_\_ is recordkeeping important? Because I believe that every, \_\_\_\_\_ without exception should create a listing of their assets and liabilities or a balance sheet. You say, "There is no way that I'm going to do that." I would encourage you to rethink that.

The number one is I believe that goes back to the very fundamental principle: How can I manage resources that I \_\_\_\_\_ I have? How can I manage what I don't even know I'm

\_\_\_\_\_ for? So the first thing, what's usually the left side of a balance sheet or the top part of a balance sheet? We got it.

Every single one of us that is a member of this church sat through our annual meeting. What is it? \_\_\_\_\_ . I even put it up on the screen.

You see, when we stop and consider what all of our assets are, we might be surprised.

Stop and consider what is God's. Sometimes we forget what is His. \_\_\_\_\_ .

In your handout, you have a balance sheet. It's laid out a little differently than you see on the screen. I knew that you would not be able to read it on the screen unless you have very, very good eyes, which, congratulations, you can save money on not going to the eye doctor.

But look at this balance sheet, if you will.

I have it laid out there in two columns, because that's going to come into play in just a second. But just look at December 31st, 2022. It's also in a very small print on that handout, so some of you may have to reach into your pocket and pull out your reading glasses.

But let's just quickly look at that. Look at the assets of Bernard and Marge Hathaway. Bernard is a guy from Adventures in Odyssey.

I love Bernard. Bernard has his own way, how many of you know what Adventures in Odyssey is? It's a great audio program. My kids love listening to that.

Yes, it does show up on the expense side of our budget. We pay for that dearly. But Bernard is a great entrepreneur.

He has his own window washing company. He's a great, great guy. Works hard, you know, and, well, Hathaway, that's only because Berkshire and Hathaway had their meeting not that long ago, and I thought, you know what, let's go with that.

Warren Buffett's company, in case you were wondering. So we're going to look at their balance sheet. They've got their checking account; they've got their savings account and their money market fund.

Congrats, you're saving a little bit of money, earning higher rates now than you have for the last 20 years. Then your other assets, you've got your automobiles. Nice, worth about \$34,000.

They've got two of them. One is a little new one. One's kind of a junker.

That's the one he drives. But, you know, they're looking pretty good. All that stuff, that John Deere tractor, that KitchenAid, that's about \$5,000.

They've got their house. It's valued at about \$250,000. Decent house.

They've got those Starbucks collector cups. That's worth \$250 to somebody, whoever. You look at what their total assets, their other assets.

Then you jump down to what their investments are. Tax-deferred, you've got your 401k, all that tax-deferred investment. Then your taxable investment.

They've set aside, maybe put some into the market, but they didn't want to tie it up. That's \$2150. Total assets at the end of the day, \$308,934.60. Some of us in this room would look at that and say, "Wow that would be really nice. I would love to be in that situation." Some of us look at that and say, "I can manage that. No problem."

All of us are in different situations, but the important thing is \_\_\_\_\_ is \_\_\_\_\_ . Some of it is lumped together, maybe in your personal property— your things. Some of it's our estimates. It's hard to get a value on a car sometimes. Or appraisers disagree on the value of homes.

There are lots of things that come into play, but the point is you have a good \_\_\_\_\_. Then look below on your handout on the screen. It's over to the right.

You've got your liabilities. You got your MasterCard. Unfortunately, it's not a huge debt, but \$5,000 on the MasterCard.

Unfortunately, before the end of the year, or fortunately, depending how you look at it, you went to Costco, and it is impossible to get out of Costco for a lot less than \$442 nowadays. But you leave Costco, and that credit card's not paid off, but you're planning on paying off in January. No problem.

Put it on the sheet. Listen, that's Starbucks Visa card. You just went out, bought that last frappe, whatever you're buying, and haven't quite paid that off, but that's got to be on there.

You got your total on your credit card. You got your automobile loan, your mortgage, and your total liability, \$255,000 and a few bucks. What does that give you? Your net worth is \$53,598.

What has this accomplished? I believe it's accomplished two simple things. One, what am I responsible for? You're responsible for \_\_\_\_\_ of that balance sheet, the assets and the liabilities. At the bottom is what the value of all that represents.

But here's the second thing. Everything on that page \_\_\_\_\_. And as soon as we recognize that and start viewing it as our own, how are we managing what God has given us? Okay, so that's the big picture part of why I believe that a balance sheet is important for \_\_\_\_\_ .

Every single person. The reality is, college students, it won't take long. Okay, that's not a bad thing. It's nice when life is simple. This gets a little bit more complex. The majority of the audience here would fit into something more like this.

Some of you, it will be infinitely more complex. Put it down. \_\_\_\_\_ what you're \_\_\_\_\_ for.

Now let's get into why. Not just does it tell us what we're ultimately responsible for, but how can we use this as a tool to be wise with what God has given? 2022 to 2023. Bottom line: net worth. \$56,000 almost \$57,000.

2023: \$65,000, approximately \$65,459. Everything is great, right? We're perfect. Our net worth is increasing, right? We're all good, aren't we? Take a little closer.

Look. Look at 12/31 of 2022. Look at the checking, savings, money market fund, tax deferred investment, taxable investments.

This family had to pull money out of savings. They had to pull money out of their money market fund. They didn't pull it all out. They did contribute a little bit, but then their taxable investment, they also pulled money out of that. The truth is that while their net worth increased, they are \_\_\_\_\_. That's what a balance sheet can tell you.

What is your overall health in regards to your finances? The only way to really dig into that though, is to find out: \_\_\_\_\_ did the money \_\_\_\_\_? And that's where we get into the nitty gritty of our finances. And this is where it takes work.

You have got to know what's coming in. You got to know what's going out and then you have to \_\_\_\_\_ where necessary. First of all, let's deal with the income category. What is income? It's everything listed here.

I'm not even going to read it. It's everything. Put down \_\_\_\_\_ of your income.

And I want to say this about income. I view income in this way. Income is what God has given me to steward.

I do not view it as an opportunity to climb up a corporate ladder. And by the way, I'm not suggesting that a promotion is wrong. I'm suggesting what is our \_\_\_\_\_ behind desiring more income? Okay? So if your money is tight and you need to either cut expenses or get a side job, that is not desiring to be rich.

But if our only objective is to absolutely make the most money in this world that we can, we are missing out on the most important principle.

**Proverbs 23:4-5 –**

*Labour not to be rich: cease from thine own wisdom. Wilt thou set thine eyes upon that which is not? for riches certainly make themselves wings; they fly away as an eagle toward heaven.*

And then as we read last week, the riches will just fly away. Our intention must not be to be rich.

**Philippians 4:19 –**

*But my God shall supply all your need according to his riches in glory by Christ Jesus.*

He doesn't promise us that we'll be rich, but He does promise to meet our \_\_\_\_\_. Okay? So that on the income side.

Then the important thing, I'm going to quickly fly through this, and that is taxes, credits, things of that.

I personally do my own taxes. Not everybody does. That's okay. I do encourage you to do your own taxes. And I, by the way, I don't say that to try to get recognition. That's not my point.

My point is that if someone like me can do my own taxes, almost every person in this room could probably do their own taxes. There are exceptions, and there are liability things, and I totally get that. And if you don't, I'm not suggesting that you should change.

However, most of us can do our own taxes. May I make a suggestion? At the very least, if you pay somebody to do your taxes, go buy the \$35 version of TurboTax, maybe \$40, whatever it ends up being. Put in your information.

Make it match what you've been presented with by whoever does your taxes. Then play with it. What do you mean by play with it? There are individuals, it depends on your situation, that you may be able to structure things differently to pay different amount of taxes.

I'm not talking illegal, okay? Let's just get that right out of the way. We, I believe it's, we are to render under Caesar that which is Caesar. We are to \_\_\_\_\_ our \_\_\_\_\_.

But if we can be wise, why would we give \_\_\_\_\_ money to the government than we should? Right? So, let's try to take advantage of that. So, then back to this last thing. If we got contentment stewardship, and I'm going to close with this: \_\_\_\_\_.

I've put it as its own category. We are called to be \_\_\_\_\_ people.

In the Old Testament, we see generosity all throughout the \_\_\_\_\_ of \_\_\_\_\_: people giving to people in need, giving loans, things like that. Here's the overall principle. Principle of generosity and compassion with one's material blessing pervades the Hebrew Scripture, but it \_\_\_\_\_ to \_\_\_\_\_.

Two examples from Scriptures real quick.

**Luke 12:20 –**

*But God said unto him, Thou fool, this night thy soul shall be required of thee: then whose shall those things be, which thou hast provided?*

Basically, this rich guy is saying, “I need bigger barns, tear down what I have, build bigger ones so I can store more stuff.”

And God says, “You're a fool. Who's going to take all that stuff? You're, that's a waste.”

I am not talking, not \_\_\_\_\_ for the future. I'm not talking about \_\_\_\_\_ for your family. I'm talking about living in so much luxury that it's all about our \_\_\_\_\_. Let's keep that as a principle.

Here's the other opposite. The first was a parable. Jesus observed this.

**Mark 12:41–44 –**

*And Jesus sat over against the treasury, and beheld how the people cast money into the treasury: and many that were rich cast in much. And there came a certain poor widow, and she threw in two mites, which make a farthing. And he called unto him his disciples, and saith unto them, Verily I say unto you, That this poor widow hath cast more in, than all they which have cast into the treasury: For all they did cast in of their abundance; but she of her want did cast in all that she had, even all her living.*

Can I be too generous? \_\_\_\_\_ to this. I can't be. And the truth is that this advice would counter what a lot of us would probably give to that widow.

We would say, “You might want to keep some of that.” I'm not suggesting that there's a right or wrong in that. My point is that all the time what we decide to give is between us and God. Okay? Let \_\_\_\_\_ determine what you give, like this widow did.

**2 Corinthians 9:7 –**

*Every man according as he purposeth in his heart, so let him give; not grudgingly, or of necessity: for God loveth a cheerful giver.*

Giving is a matter of \_\_\_\_\_. Am I willing to sacrifice to further the work of the gospel? Let's be generous people.

I'm going to ask Jenny to come on up, and as she transitions into budgeting, she's going to talk about one other thing, and that's an important element, and that is debt. Debt is a tricky subject because there's a lot of variety of viewpoints. Let me just say this, that we are told in Proverbs that we are slave.

We're \_\_\_\_\_ to the \_\_\_\_\_. Debt is a choice that you and I have to make. It's an important part of our budgeting.

Okay? So if you've got the budgeting sides broken down, you've got your income, don't let it be driven by your own desire.

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Good evening, Quentin Road. How's everybody doing? Good? All right.

Do any of the following apply to you?

- You have too much month left at the end of every paycheck.
- Are you struggling to make ends meet?
- There isn't enough.
- You feel like you're literally living paycheck to paycheck.
- Do you and your spouse often argue about money?
- Do you want to get out of debt?
- Are you struggling to make ends meet?
- Do you find that you're sometimes or often overspending on food or clothing or whatever the latest sale is?
- You really have no idea where all your money is going each month.
- Are you trying to save for a vacation or a house?
- Are you getting married soon?
- Do you have a baby on the way?
- Are you a college student?
- Do you have a job?
- Do you have expenses?

If the answer to any or all of those questions is 'Yes', then you are a candidate for a budget. Have I sold you on the idea? For some of you, the idea of a budget conjures up very unpleasant images, I know.

You're going on a budget, like the doctor who says. You're going on a diet. Not fun.

But I want you to consider that there's an upside to having a budget. A budget can be a \_\_\_\_\_ that tells your money where to go instead of you wondering where it went. And your chances of changing or achieving anything pertaining to finances go up \_\_\_\_\_ if you have a written plan.

We know this. A budget can also act like a \_\_\_\_\_ or a \_\_\_\_\_. It can shine a light on where things might need to be improved or changed. It shines a light on your financial situation, especially if you've been living in the dark because you're in crisis mode and you just don't know how to make ends meet. A budget can be the first important step to getting out of that crisis mode.

A budget can be \_\_\_\_\_. A budget is not about restricting you. In fact, the opposite is true. With a budget, you can make decisions about how to spend, how to save, and how to give.

Bonus, with a budget, you might actually feel like you got a pay raise because when you start telling your money where to go, you may find that you have more of it because you have a plan. Finally, a budget can improve \_\_\_\_\_.

If you're married, there's also a good chance that you spend money as a couple, right? You do things together. You plan your finances. The couple that budgets together \_\_\_\_\_, and that is one critical aspect that I'm very passionate about because I've seen firsthand what money fights can do to a marriage. So tonight, I'm going to be briefly showing you how to create a specific type of budget, which is called a \_\_\_\_\_.

There's several approaches to budgeting, but the goal of \_\_\_\_\_ - \_\_\_\_\_, and why I feel this is important, is that you're basically assigning a mission to every single dollar that's coming in each month so that no dollar is going unspent or just sitting there literally burning a hole in your pocketbook. This means that your \_\_\_\_\_ and \_\_\_\_\_ are equal, and your monthly income minus all your expenses always equals \_\_\_\_\_. The other thing about a zero-based budget is that you're basically starting from scratch every month, so you're being very diligent, very intentional about what's coming up in the month ahead, and that you have a plan \_\_\_\_\_ you start the month.

All right, so I'm going to go over the steps for creating a budget, and I'll elaborate on these five steps as we go, and then I have an example of a budget, which, ironically, I think the print on my budget is even smaller than the balance sheet that Pastor Dave was showing, so I apologize in advance, and maybe we can send this material out afterwards, but I will go through. I'll start with the steps for creating a budget.

The first thing you want to do with your budget is you want to start \_\_\_\_\_ the month even \_\_\_\_\_.

This is key: You want to have a clear plan with a mission for the month ahead. One way to do this, if you're married especially, or I always encourage people, if they're single, to have an accountability partner, so someone that is walking this journey with you, if possible, but if you are married, you're going to take an hour before the start of the month, and this is a really fun idea for date night, you can put the kids to bed early, you can have a nice dinner at home together, and you can take one hour and go through the budget \_\_\_\_\_, and if the two of you are opposites, meaning one of you is more budget-oriented and the other one is more about out there having fun, like the slide that we saw earlier, the beauty of this is also that you can \_\_\_\_\_ each other's \_\_\_\_\_, and you can say, "Okay, the person who's more savvy with the numbers can create the budget, but then the arrangement has to be that you all are sitting down and talking through it together."

And then you have to let the person who's having all the fun go through the budget, and you have to let them \_\_\_\_\_, that's how you give them a voice.

So number two is: Write down \_\_\_\_\_ your \_\_\_\_\_ for the month. This can be pretty straightforward, if you have a steady income, your paychecks are the same every single month, you know, you can choose whether you want to just calendarize your annual income, or if you want to write down all of the paychecks that you get, don't forget about \_\_\_\_\_, in my household, for example, we have paychecks, and then we have like a small flex spending account that we use for things like child care reimbursement for my son, so that's a source of income for us, so we would write that down as well.

A unique scenario that you may find yourself in, and you may say, "Well, I can't do a budget, I only work three months out of the year. I won't have to do a budget."

Wrong. You especially need a budget. If you have, you know, unsteady income, or if you have part-time work that you're doing certain times of the year, the solution for that would be to take \_\_\_\_\_ you're \_\_\_\_\_ during that period of time, like if it's during the summer, if you're a student, you would take that money, whatever you earn, and then you would \_\_\_\_\_ it over 12 months, and put yourself on a budget where you pace yourself, you pace your spending each month.

If you have, if your income tends to vary because you get overtime, what I would encourage you to do is to say, okay, what is my \_\_\_\_\_ that I know that I can rely on? Anything on top of that, we consider gravy, and we can use that to pay off debt, we can use that to be more generous, we can save more, but I would say start with the income that you know you can rely on. All right, so that's number two, write down all your income for the month.

Number three: List \_\_\_\_\_ of your monthly \_\_\_\_\_, including any debts.

Now this might take some research. You're going to want to consider, obviously, you know, the most obvious ones: \_\_\_\_\_, rent, \_\_\_\_\_, and anything that you know that is easy because you pay it every single month.

Now, you may be on autopilot with some of your expenses because you've got it on direct debit coming out of your checking account, so you're going to want to pull up that information and have that information handy if you've never done a budget before, but literally, you're going to brainstorm all the \_\_\_\_\_ that you have.

You're also going to want to consider all your \_\_\_\_\_ and what are those \_\_\_\_\_ . What's your \_\_\_\_\_ on things like groceries, and what are your \_\_\_\_\_ - \_\_\_\_\_ expenses, things like insurance, for example, and maybe real estate taxes that are due once a year. You want to make sure that you know what those are and then also \_\_\_\_\_ those over, you know, whatever period that you need to account for. So, for example, our real estate taxes, we pay those and the bills come right around this time, so we know what that amount is and we set aside, you know, we take that full property tax bill, we divide it by 12, and then we set aside that amount each month.

Things like car insurance, I think, is usually due quarterly, maybe twice a year, so you want to take that and, you know, divide it by the number of months that you have before the next bill is due. All right, so that was step three: Listing all your expenses. A couple of other things that tend to sneak up on us, but they really shouldn't, \_\_\_\_\_, birthdays, graduations.

These are not things that are \_\_\_\_\_ or should \_\_\_\_\_ us. We should be planning for those if we can, so we set a budget for Christmas and then we divide that by 12, and if we want to really get a head start, then starting in January, we might set aside a small amount of money each month for those things.

\_\_\_\_\_ also sneaks up on us. Do you have subscriptions to apps like Audible? Any of those things that you have coming out of your of your checking account, it's worth to take a look at what's all coming out, because the amounts might surprise you. So that's step three.

Step four is you're going to, once you've input all that information, you're going to \_\_\_\_\_ your \_\_\_\_\_ from your \_\_\_\_\_, and that amount should be \_\_\_\_\_.

I call this the delta. That's the difference between what's coming in, what's going out. If there's money left, give it a mission.

So part of being a good steward is being a manager of the money that God is giving us. Part of being a good manager means that \_\_\_\_\_ on your team is getting a \_\_\_\_\_. So if every dollar is, you know, part of that mission, every dollar should be given a task.

That's why I think zero-based budgeting is the way to go. So if you have money left, you'll want to give that a mission. If there's a negative number at the end of that exercise, this is where you're going to need to do some \_\_\_\_\_ of your \_\_\_\_\_, and we can talk a little bit more about that when we get into debt.

But the idea here is we end with \_\_\_\_\_, and that might feel scary at first, but the point is, you know, even if you're saving or setting aside money here or there, that it has a \_\_\_\_\_. The beauty and the side benefit of doing this is also, if you have this agreement with your spouse or with yourself up front, "Hey, this is what I'm going to spend my money on this month." It allows you to also plan for things, and it avoids a lot of the arguments that tend to happen in marriages where one person is saying, "I really want that tie." or "I need to get my nails done." If you're planning for that up front instead of letting it creep up on you, it's going to make things a lot calmer and smoother in your household.

All right, so once you've got your budget set for the month, what you're going to do from there is you're going to shake hands, you're going to say, "This is the plan, we're going to stick to it."

And then we're going to get to work tracking the spending throughout the month to make sure that we're staying on budget. Will you go over some or many of your planned expenses the first few times that you do this? \_\_\_\_\_. Will it get easier with time? \_\_\_\_\_.

The more you practice this skill, the easier it will get and the smoother things will run in your home. Another thing that can be intimidating here for creating a budget is: Do you need to use a fancy tool for creating a budget? \_\_\_\_\_.

You can use \_\_\_\_\_ and \_\_\_\_\_. I use Excel. There are also apps.

All right, I came up with this slide because I wanted to show some of the common expense categories and also to show you or give you an idea of what the average amount is.

Now, this is average. This is from the Bureau of Labor Statistics for 2022. This does not mean that this is what you have to spend or what you should be spending or that this is the right amount, but, you know, I know that some of you may be asking, like, well, what's considered average? So for housing, the average amount per month is \$2,025.

I actually put a recommended amount here because I think that this is one area that can get out of hand, you know, very quickly. So the recommended amount is \_\_\_\_\_% of take-home pay to be spent on a mortgage or on rent, including any association dues, property taxes, insurance, and home repairs. That may not seem like a lot, but if you think about all the responsibility that goes with renting or with being a homeowner especially, it's good to be mindful and diligent about how much that mortgage payment ends up being because you don't want that home to become a \_\_\_\_\_.

Food. This includes groceries and dining out. \$780 a month is the average.

I don't know about you, but I feel like groceries are not what they used to be. It's gotten a lot more expensive. So this is also for a family of four. Utilities are roughly \$388 a month.

Transportation: \$1,000 a month for car loans, fuel repairs, and other transportation. I have a lot to say about car loans, but I'll withhold that comment for right now. Entertainment, recreation, paid apps. The average American family is paying about \$288 a month here.

And then clothing is roughly \$160 a month. So those are some of the common expense categories.

And what you're going to find as you do your budget is different. There's no \_\_\_\_\_ way of categorizing your expenses. The goal is just to list them all, you know, on a piece of paper to start or in your Excel spreadsheet, and then you can start to assign categories to them. So what I'm going to show you now, yeah, it is kind of small.

So this is a sample budget that is done in Excel.

But like I said, it doesn't have to be fancy. It can be on paper and pen. What you're going to do up at the top is you're going to list your income. You know, in this example, husband gets two paychecks a month, the wife gets two paychecks a month, and then there's a flex spend income that's coming in.

You don't have to list every single paycheck. You can, like I said, you can \_\_\_\_\_ if you know what your income is going to be for the month. But the idea here is we know what our \_\_\_\_\_ is in terms of what's coming in.

Then down here, you see we've got the \_\_\_\_\_ category. And I like to categorize a certain way, but this doesn't have to be how you do it. Like I said, the idea is just to start listing everything.

But you've got your \_\_\_\_\_ category. You've got your \_\_\_\_\_ category. You list out, you know, both your \_\_\_\_\_.

I've marked property taxes here with save, meaning this is the amount that we set aside each month toward the property tax bill, association dues, and home repairs. There are things that we should be thinking about, you know, budgeting, even if we don't have home repairs every month, but we should set aside a little bit of money.

I recommend that you do that. And then, you know, food and entertainment, I highlighted in red. What I wanted to mention here is these are two categories where I feel like it's easy to overspend.

So one recommendation that I have for these types of categories is to set aside \_\_\_\_\_. That will be a good way for you to really keep track of what you're spending and to avoid overspending if that's what you're trying to focus on. So we've got \_\_\_\_\_, we've got \_\_\_\_\_, transportation, and car insurance.

Again, this is something that, you know, you probably aren't paying every single month, but it's something to set aside. So I would mark that in my budget to say, I have to \_\_\_\_\_ this \_\_\_\_\_, you know, in my, keep it handy in my checking account/savings.

This is a category that I recommend, you know, if you're working towards trying to save for a vacation or larger purchases, that you have that \_\_\_\_\_ in your budget. I'm a big proponent of not using debt, not using credit cards. I think I shared that story last week about why I feel this way. I feel strongly that if you're going to make a purchase, try to save and pay \_\_\_\_\_ for it.

So this is a way that you can do that by setting aside money if you're saving towards something. Now, if you're trying to get out of debt, as this example is, you know, currently carrying some credit card debt, but if you're trying to get out of debt, you may not have any money that you're saving toward \_\_\_\_\_, or you may be finding yourself in a season where we're not going to go out to eat because we're really trying to pay off that debt, and we'll talk more about that when we talk about debt, but, you know, if you are in a situation

where you can say, "Okay, I'm giving, and I'm saving a little bit of money toward, you know, a new roof for my house, or to go on that vacation." This is where you would do it.

Then finally, there is the delta down here. This is the kind of \_\_\_\_\_

Excel does the math for you, and you see there's nothing left. Everything's been given a mission for the month. The other thing that I wanted to show you is just, this is an example, so in my own family, we have an Excel spreadsheet, but it's not side-by-side like this.

It's just one long Excel spreadsheet. We have a \_\_\_\_\_ bucket, and then we have an \_\_\_\_\_ bucket next to it where we're tracking our spending throughout the month. That is the end of budgeting. In closing, because I think we're at time for this week.

In closing, what I wanted to say about this is, as you start to do your budget, you might find that you're doing pretty good, then great, keep going, but you might also find that you're not doing so great, or that there's more month left than what you have money for, and the delta is negative, and what do we do about that? Until you do a \_\_\_\_\_ and until you keep \_\_\_\_\_ of your spending for a few months, you won't know exactly what your situation looks like.

I would encourage you to start, and then see where you're at, because most of the things that are in your budget, there's probably always some room to \_\_\_\_\_, and there's always probably some room to cut back in certain \_\_\_\_\_ if you need to, in order to make the month work.

The budget will also allow you to see if you are in a situation where you might be looking at, "Hey, I've got to pick up some extra work to make ends meet for a season. I've got to try to prioritize how I'm going to repay my debts, so that I can clear those." And we can talk about that. But I think, you know, a budget, it's a \_\_\_\_\_, it's a \_\_\_\_\_, it will help you see what's going on in your financial picture.

Thank you.

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