

Four Keys to Financial Freedom

Part 4: "Invest Carefully"

TALKINGPOINTS WALKINGPOINTS



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Talk together about the glory of God's kingdom. —Psalm 145:11
Love the Lord your God and **walk** in all his ways. —Joshua 22:5

Questions for Reflection

- Pastor Doug noted that money is a **tool** (for accomplishing godly tasks), a **test** (of what we value most), and a **testimony** (to others regarding our allegiances). Which of those roles money can play is most challenging to you personally—and why?
- If through honest earning, generous giving, wise spending, and careful investing you were able some day to live off your investments, what would you most like to do with your "time freedom"?
- If a neighbor or friend at work asked you, "*What kind of stuff do they talk about at your church?*", how would you summarize the most important elements of this week's sermon and the key lessons you intend to apply to your life? How would you explain it in **plain language** that anyone could understand?
- Is it generally true in American culture that "**everybody** spends whatever they get"? Do **you**?
- Proverbs 21:20 says "**Fools** spend whatever they get." Does that shock you? Why or why not? Look up "fool" at <webstersdictionary1828.com>, noting the biblical definitions (#3 and #4). According to Proverbs 1:7, what is the **remedy** for foolishness?

Ecclesiastes 4:5 underscores the relationship between wisdom and wealth (and foolishness and ruin): "Fools fold their idle hands, leading them to ruin." What do you know about the **biblical** teaching regarding wisdom and foolishness? What can we learn from the following passages?

Proverbs 12:15

Proverbs 14:16 & 24

Proverbs 13:20

Proverbs 28:26

Application-Challenge

- Make a financial plan for your family.
- Financial freedom **requires** that you **spend less than you earn**, so calculate whether or not you have any surplus. If not, you **must** reduce or eliminate some expenses.
- Paying off debt is the first thing to do with any surplus funds. (Use the "Debt Elimination" form.)

Take One Step: What is one small, concrete step of obedience you will put into practice this week?



Are you in financial bondage?
For hope and help go to:
tcc.org, Keyword: MoneyWise

Sermon Summary

Today's message is the fourth in a series of messages entitled "Four Keys to Financial Freedom." So far, we have discussed three keys: earn money honestly, give money generously, and spend money wisely. The final phase of achieving financial freedom involves having a surplus of money to invest. To have money to invest, you must begin by considering how much you earn monthly. By the way, the Bible often refers to the outcome of a person's labors as "fruit." That makes sense, because the economy of the Bible was driven by agriculture (2 Timothy 2:6). How do we wisely manage the income God has entrusted to us? According to Scripture, we should give first. The Old Testament gives us a principle we would do well to keep in mind. It is the principle of firstfruits: "Honor the Lord from your wealth and from the first of all your produce" (Proverbs 3:9). Right off the top, the Biblical steward will set apart a portion of his income to advance God's goals in the world. As we have seen earlier in this series, that proportion should be generous in light of your income. Under the new covenant, God does not prescribe the percentage as he did under the Old Covenant, but it should be generous. While this is not a rule, I a good goal for us to strive for is to give about 10% of our income to a combination of gospel ministry and charitable causes.

Spending. God has given us money to provide for our needs. But we must spend it wisely. Your goal in spending should be to have a surplus. You should not spend everything that you earn. You will never experience financial freedom if you do.

Invest your surplus. If you have money left over after monthly expenses, then God has given you more money to manage for him. And he expects a return on his investment. Jesus told a parable in Matthew 25:14-21 where he made this clear. The way to gain an increase on the money entrusted to you is by investing. Investing is like planting seeds. The money you invest carefully isn't gone, it is growing.

Invest and grow. There are two reasons that you should invest. One is that it is good management of God's money. You are being a careful steward. The second reason is that careful investing can eventually provide income you will need to live on. When you plant a seed, it will grow and eventually produce a harvest. When you invest your surplus, it will grow and eventually become a significant source of income.

Doubling. If invested wisely and carefully, your investment will double over time. There is another economic tool that tends to be true when it comes to investing. As a general rule, the higher the percent return on an investment, the riskier that investment may be. Risky investments may result in the loss of your money. The right motive for investing is faithfulness. If "fear" is your motive, you may do nothing. If "greed" is your motive, you may invest carelessly (with too much risk). If "faithfulness" is your motive, you remember it is God's money and that He expects an increase. Warning: Any percentage of annual increase that sounds too good to be true probably is (Proverbs 14:15).

Diversify. One way to reduce the risk of losing everything if an investment goes bad is to divide your money into several different investments (Ecclesiastes 11:2).

Investment benefits in retirement. Eventually, your careful investing will create a sizable reserve. That reserve can be large enough to produce a yearly increase that pays for your annual giving and spending. At that point, you could live off the income from your investments. When you reach the point where your investments provide for your annual giving and spending, you could retire. Since you don't have to earn money at a job, your financial freedom has brought you time freedom. You could spend this time God has blessed you with helping your family, church or community. Financial freedom might allow you to help with raising your grandchildren. Finally, financial freedom protects you during seasons of life when you are unable to work or earn money from your labors.

Emergencies. Unexpected financial emergencies happen. Having money to handle them comes from careful investing. If you don't have an emergency, then your investment is growing. If you do have an emergency, you can pull money to pay for it.

Inheritance. Many people think of leaving an inheritance to their children upon their death. However, think of how much more enjoyment you would get from financially blessing your grandchildren while you are still living (Proverbs 13:22)! With careful investing, it's possible.

One thing is clear. Financial freedom requires planning and a budget that you follow. The only way to save enough for the future is to start investing today. Any expenses that can be eliminated from your spending will increase the amount you have to invest. The potential to multiply the money God has entrusted to you becomes an exciting motivation for following a monthly budget and eliminating unnecessary spending.

Digging Deeper in Your Daily Quiet Time

Over the past four weeks we've learned that financial freedom does NOT come from making a lot of money, but rather from learning to manage what God has entrusted to us—and this requires wisdom. Which prompts the question: "How does one gain wisdom?" Proverbs 2 tells us how...

Monday—A "mechanical lay-out" of Proverbs 2 appears at the right. A mechanical lay-out is a rewriting of the text in a form that reveals its grammatical structure—which helps us observe much more than we otherwise might. Read it **aloud** several times in order to gain a "30,000 foot overview". What **general impressions** do you get?

- Who is the "speaker"? Who is the audience? (Note: in Scripture, "son" often simply means "child".)
- From v. 1-4 list all eight of the actions we are commanded to take.
- Now, look up each **verb** at < webstersdictionary1828.com >. (Note: This is a **rich** exercise!)
- Along with each verb, look up the following **key related words**: "attentive" and "heart" (see definitions 4-11).
- Who do you know who **actually does** those things? What are they like? Describe them—both in their personality and in their style of life. In what ways are you like them? In what ways are you different?

Tuesday—Drilling down into **our** role...

- Think of something you've lost or misplaced (keys, wallet, pet, child...). With **that** search in mind, reflect on the command of v. 4. Describe the emotions, energy, and vocalizations (v. 3) involved in that search. Was your "heart" really in that search (or, were you "half-hearted")?
- Some say, "Well, that's just how I am."—but what is the implication of "if you will" (v. 1)... "then you will" (v. 5, 9)?
- **Can** people change? **Do** most people change radically throughout their lives? Do you need help getting "unstuck"?
Free help is available at: counseling@tcc.org

Wednesday—Drilling down into **God's** role...

- According to v. 6-8, list **all** the things that God **is**, **does**, and **gives**. Which of those do you **most** need **now**? **Why** that one?
- Explain how wisdom is **both** something **we seek** (v. 2) **and** something **God gives** (v. 6). How does that work?
- What does it tell you **about God** that he **promises** those things to those who seek—but **not** to others?
What kind of a God do we have?

Thursday— "Seek and you **shall** find!"

- From v. 6-17, list **all (20!)** of the "outcomes" (character qualities you gain; things which do and don't occur).
- **If** you gained those outcomes, at age 85—looking back on your life—what would you say to the person who laments, "Yes, but you made such **sacrifices to gain that!**" What would you say to that person?
- Now read another passage in which a father pleads with his children to pursue wisdom: Proverbs 5:7-13. **If** you gained **that** outcome, at age 85—looking back on your life—what would you say to the person who observes, "Yes, but you **enjoyed yourself so much in the moment!**" What would you say to **that** person?
- What **do** you say to **yourself** in **this** moment? What **should** you say to yourself? What will it take to succeed?

Friday—What **level of confidence** can we have about the outcome of our life?

- Review v. 5-17. What level of confidence do you think God wants honest, energetic, perseverant (v. 1-4) seekers to have?
- Review v. 18-19 and 22. **Of what** does God want "dabblers" and "rejectors" to have 100% confidence?
- Read Galatians 6:7-9. What does this tell you **about God**? **What kind of a God** do we have?
- Do you **fear** him? **Should** we (see v. 5)? Is the "fear of God" a good thing? Why or why not? (See Proverbs 1:7; 10:27; 14:27; 19:23; 22:4; 2 Corinthians 5:10-11 and 1 Peter 1:17-19.)

Saturday—**Prepare now to gather with your church family tomorrow to celebrate Christ's resurrection from the dead!**

- Read Acts 2:24. **Could** Jesus **not** have resurrected from the dead? (cf. John 20:9)
- Read Romans 1:1-4. What does Jesus' resurrection **prove about him**?
- Read 1 Corinthians 15:12-14. What does **Jesus'** resurrection **prove about us**?
- Read 1 Peter 1:3-5. What does **Jesus'** resurrection **provide for us**?

Continued...

Proverbs 2

1	My son, if you will	receive	my words, and
2		treasure	my commandments within you,
		make your ear attentive to	wisdom,
		incline your heart to	understanding,
3	for if you	cry for	discernment
		lift your voice for	understanding,
4	if you	seek her	as silver, and
		search for her	as for hidden treasures,
5	then you will	discern	the fear of the LORD, and
		discover	the knowledge of God.
6	For the LORD gives	wisdom,	
	from His mouth come	knowledge and understanding.	
7	He stores up	sound wisdom for the upright,	
	He is a shield	to those who walk in integrity.	
8	guarding	the paths of justice, and	
	He preserves	the way of His godly ones.	
9	Then you will discern	righteousness, and	
		justice, and	
		equity, and	
		every good course	
10	For	wisdom	will enter your heart, and
		knowledge	will be pleasant to your soul,
11		discretion	will guard you,
		understanding	will watch over you,
12	to deliver you	from the way	of evil,
13		from the man	who speaks perverse things;
		from those	who leave the paths of uprightness
14			to walk in the ways of darkness,
			who delight in doing evil, and
15			rejoice in the perversity of evil,
			whose paths are crooked, and
			who are devious in their ways.
16	To deliver you	from the strange woman,	
		from the adulteress who flatters with her words;	
17		that leaves the companion of her youth, and	
		forgets the covenant of her God;	
18	For her house	sinks down	to death, and
	her tracks	lead	to the dead;
19	None who go to her return again,		
	Nor do they reach the paths of life.		
20	So you will walk in	the way of good men, and	
	keep to	the paths of the righteous.	
21	For the upright	will live in the land, and	
	the blameless	will remain in it;	
22	But the wicked	will be cut off from the land, and	
	the treacherous	will be uprooted from it.	

Budget Planning Form

INSTRUCTIONS:

- A. Total all income sources in **Box A** at right.
- B. Total all giving in **Box B** at right.
- C. Subtract total giving and taxes from the **Total Gross Income**. This is your available income in **Box C** below.
- D. List all monthly expenses (Items 1-9 in **Box D** below)
- E. In **Box E**, total all monthly expenses (Items 1-9) and subtract from available income. This total is your surplus for investments or savings or debt reduction.

A. INCOME PER MONTH (EARNINGS)

Salary _____

Interest/Dividends _____

Notes/Rents _____

Other _____

Total Gross Income _____

B. GIVING PER MONTH

Church giving _____

Other giving _____

TOTAL GIVING _____

C. TOTAL GROSS INCOME – TOTAL GIVING – TAXES = AVAILABLE INCOME

\$ _____ - \$ _____ - \$ _____ = _____

D. Monthly Expenses

1. Housing	Amount	2. Automotive	Amount	3. Miscellaneous	Amount
Mortgage/Rent	\$		\$		\$
Taxes/Insurance					
Electricity					
Gas					
Sewer/Water/Trash					
Telephone/Internet					
Cable/Satellite					
Pool/Lawn Care					
Maintenance					
Other					
Total	\$	Total	\$	Total	\$
4. Insurance	Amount	5. Medical	Amount	6. Entertainment	Amount
Life		Doctor		Dining Out	
Medical		Dentists		Child care	
Dental		Prescriptions		Activities	
Other		Other		Vacation	
Total	\$	Total	\$	Total	\$
7. Food	\$	8. Clothing	\$		

Budget Planning Form (continued)

9. Debts	Amount		
Credit Card			
Credit Card			
Loans/Notes			
Other			
Total	\$		

E. Investment Potential

Available income (from Box C) \$ _____

Total Monthly Expenses - \$ _____

(Add categories 1-9 from Box D) = \$ _____

To be used for Investing or Savings or Debt Reduction

Available Funds Work Sheet

1. List total from Box E of Budget Planning Form (Investment Potential) on Line A below.
2. List all non-essential items using the table below. Non-essential items are those items you determine to cut from your monthly expenses to gain surplus dollars for debt reduction or investment.
3. Add the total non-essential dollar amount to the Debt Reduction Funds Amount.

(Line A + Line B = Line C)

4. Take 50% of your new Debt Reduction Funds total and apply it to your smallest debts. Take the remaining 50% and split it evenly among the remaining creditors. (See Debt Elimination Form)

Non-Essential Items	Dollar Amount
Total Non-Essential Dollars	\$ _____

DEBT REDUCTION FUNDS (Budget Planning Form)	\$ _____	LINE A
+ Total Non-Essential Dollars	+ \$ _____	LINE B
= TOTAL DEBT REDUCTION FUNDS	= \$ _____	LINE C

50% applied to smallest debts = \$ _____	50% split evenly among remaining debts = \$ _____
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Debt Elimination

1. List funds available to reduce the number of Creditors and Dollars owed in **Table A**. Get these numbers from **"Available Funds Work Sheet"**.
2. List all creditors and dollars owed in order from least to greatest in first two columns in **Table B**. (You did this randomly in **"Debt Work Sheet"**).
3. Use 50% to pay off the smallest debt(s).
4. Use the remaining 50% to pay each remaining creditor an equal amount.
5. List adjusted amounts owed in the monthly columns.
6. Continue paying the smallest debts with half your surplus and reducing the dollars owed on remaining debts with the other half until all debts are paid.

TABLE A Funds to pay off smallest debts (50% to reduce number of creditors.

\$ _____

Funds split evenly among remaining creditors (50%- to reduce number of dollars owed.)

\$ _____

Table B	Amount owned	After 1 Month	After 2 Months	After 3 Months
Creditors in order— Smallest first				
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Debt Work Sheet

1. List all creditors in left column
2. List dollars owed
3. After all creditors and amounts are listed, number the creditors beginning with the smallest debt. Now list them in order on **"Debt Elimination Form"**.

[illegible]