

PLANNING TO PROSPER

Workshop 3: MAXIMIZING YOUR MARGINS

Pastor Duane Masters with guests Trevor Pfahl & May McMahon

Proverbs 3:6, 9–10 NLT

*Seek his will in all you do,
and he will show you which path to take. ...
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.*

Luke 16:10–11 NLT

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?

5 BASIC THINGS THE BIBLE TEACHES ABOUT FINANCES

1. HAVE A WRITTEN BUDGET

- 93% of millionaires said they stick to their budgets*
- 79% of millionaires didn't receive an inheritance
- 33% never made six figures throughout their careers

* <https://www.ramseysolutions.com/retirement/the-national-study-of-millionaires-research>

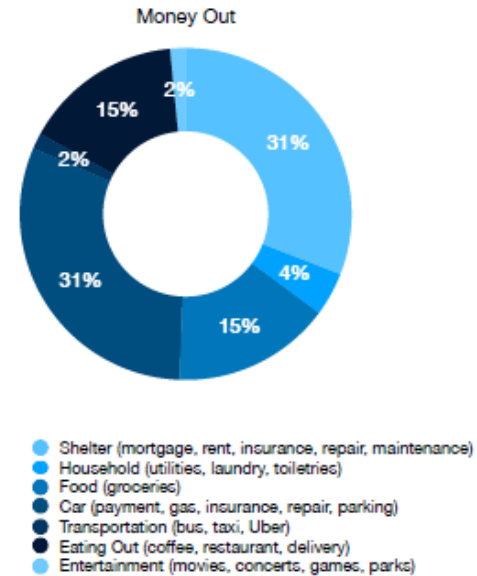
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Sample Budget

| Money In | |
|---------------------|----------------|
| Income (Net pay) | \$8,333 |
| Additional income | \$150 |
| Total income | \$8,483 |

| Money Out | |
|--|-----------------|
| Shelter (mortgage, rent, insurance, repair, maintenance) | \$2,000 |
| Household (utilities, laundry, toiletries) | \$275 |
| Food (groceries) | \$1,000 |
| Car (payment, gas, insurance, repair, parking) | \$2,000 |
| Transportation (bus, taxi, Uber) | \$100 |
| Eating Out (coffee, restaurant, delivery) | \$1,000 |
| Entertainment (movies, concerts, games, parks) | \$100 |
| Clothing (necessities, shoes, coats) | \$900 |
| Personal (cosmetics, hair, nails, massages) | \$200 |
| Health (medicine, eye glasses, physio, insurance) | \$400 |
| Family (child care, child, spousal, parental support) | \$2,000 |
| Extra curricular (sports, hobbies) | \$500 |
| Educational (tuition, supplies) | \$500 |
| Pets (food, vet, supplies) | \$200 |
| Savings (RSP, TFSA) | \$100 |
| Donations (tithes, offerings, charitable giving) | \$100 |
| Interest (credit cards, loans, mortgage*) | \$1,000 |
| Total expenses | \$12,375 |

| Money Left Over | |
|-----------------------|-----------------|
| Income minus expenses | -\$3,892 |



Know where your money goes.

Keep careful track of your spending for 1 - 3 months, and make adjustments where you need to.

Use your pay slip, income tax returns, bank statements to help you.

It's personal! Make your chart to suit your lifestyle.

Now try it for yourself! Use this QR code to download a download a blank copy of a simple budget calculator tool PDF from the Church of the Rock website.



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2. GET OUT OF DEBT

Proverbs 22:7 NLT

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

Proverbs 6:5 NLT

Save yourself like a gazelle escaping from a hunter, like a bird fleeing from a net.

3. LIVE ON LESS THAN YOU MAKE

94% of millionaires live on less than they make.

The average millionaire has never carried a credit card balance, spends \$200 or less on restaurants each month, and shops using coupons.[†]

Proverbs 21:20 NLT

The wise have wealth and luxury, but fools spend whatever they get.

1 Timothy 6:6 NLT

Yet true godliness with contentment is itself great wealth.

4. SAVE & INVEST

5. BE GENEROUS

The final step to having true “financial peace” is having the freedom to give your money to help change the world around you.

Generosity leads to more happiness, contentment, and a better quality of life.

Acts 20:33–35 NLT

I have never coveted anyone’s silver or gold or fine clothes. You know that these hands of mine have worked to supply my own needs and even the needs of those who were with me. And I have been a constant example of how you can help those in need by working hard. You should remember the words of the Lord Jesus: “It is more blessed to give than to receive.”

[†] <https://www.ramseysolutions.com/retirement/the-national-study-of-millionaires-research>

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DEBT SNOWBALL

Example of adding \$200 to monthly payments

| Debt | Total Owed (lowest to highest) | Minimum Payment | New Payment |
|-------------------------|-----------------------------------|--------------------|----------------------------|
| Simplii Financial (18%) | \$450 | \$50 | 50 + 200 = \$250 |
| Canadian Tire (18%) | \$650 | \$30 | 30 + 250 = \$280 |
| Parents (0%) | \$1,600 | \$200 | 200 + 280 = \$480 |
| Visa (18%) | \$1,800 | \$30 | 30 + 480 = \$510 |
| Car (10%) | \$7,000 | \$400 | 400 + 510 = \$910 |
| School (6%) | \$9,000 | \$200 | 200 + 910 = \$1,110 |