

Wisdom and Finance
Luke 15:11-16; Proverbs 21:5, 20
October 16, 2011

I. Where Did All Our Money Go?

The pastor of a church was preoccupied with thoughts of how he was going to ask the congregation to come up with more money than they were expecting for repairs to the church building. Being stressed over this financial issue, he was annoyed to find that the regular organist was sick and a substitute had been brought in at the last minute. The

substitute wanted to know what to play. "Here's a copy of the service," he said impatiently. "But, you'll have to think of something to play after I make the announcement about the finances." During the service, the minister paused and said, "Brothers and Sisters, we are in great difficulty; the roof repairs cost twice as much as we expected and we need \$4,000 more. Any of you who can pledge \$100 or more, please stand up." At that moment, the substitute organist played "The Star

Spangled Banner." And that is how the substitute became the regular organist!

A. Living as Prodigals

Money and finances seem to be a constant and never-ending worry in most people's lives.

In the story of the Prodigal Son, we see that the prodigal son had the habits of spending and wasting money. In the story, the son demanded his inheritance from his father and he left home with it and squandered it on wild, frivolous living. He ended up having nothing left for his future living. The word

prodigal means “one who wastes money.” A prodigal is one who wastes money, who is a spendthrift. Many of us struggle with that habit as well. We’re not worried about tomorrow. We only think about what we want today. The problem with that kind of thinking is that, for most of us, the “famine” eventually comes. It comes when we have spent everything we have and even a little bit of next year’s income. So if we find ourselves short, we use the credit card and charge it, and we go a little further into debt. Finally, we come to a place where we “find ourselves.” We

have nothing left, not even any credit, and we can't figure out how we are we going to make it.

B. The More We Make, the More We Waste

It seems that the more financially secure we become, the less we worry about spending money.

When it comes to blowing money, we Americans have no peers. We are the world champions of frivolous spending and we have the record level of personal debt to

prove it. New Jersey dental-school student Steven

Toth posted a mystery item on eBay under the title

“The Biggest Waste of Money” and got a high bid of \$136 from the last of 36 bidders -- for a piece of paper on which he scribbled that phrase.

We waste a dollar on this or that, and we forget where it went. Money just seems to flow through our fingers. We're not as careful with our money as we should be. We waste money in many ways. Too often, we only live in the present and give no thought to the future. We buy on impulse. We see something and think we must have it, so we buy it right then and there. We make numerous frivolous purchases that

add up over time and we wonder, where did all of our money go. We use our money as if our life's purpose is enjoying and having as much pleasure as we can.

II. Clarifying Our Relationship With Money and Possessions.

We do not exist simply to consume as much as we can and get as much pleasure as we can while we are here on this earth. We have a higher purpose.

We need to know and understand our life purpose—our vision or mission or calling—and then spend our

money in ways that are consistent with this purpose or calling.

A. Be Clear About Your Purpose and Calling

Society tells us that our life purpose is to consume—to make as much money as possible and to blow as much money as possible. The Bible tells us that we were created to care for God’s creation.

We were created to love God and to love our neighbors as ourselves. We were created to care for our families and those in need. We were created to glorify God, to seek justice, and to do mercy. Our

money and possessions should be devoted to helping us fulfill this calling. We are to use our resources to help care for our families and others—to serve Christ and the world through the church, missions, and everyday opportunities. We have a life purpose that is greater than our own self-interests, and how we spend our God-given resources reflects our understanding and commitment to this life purpose or mission.

B. Set Worthy Goals

Being able to accomplish the greater purposes God has for our lives requires some measure of planning. Taking the time to set goals related to our lives and our finances is crucial if we are to become wise stewards of our God-given resources. Each of us should think about our life purpose and goals and then identify two short-term financial goals, two mid-range financial goals, and two long-term financial goals that are aimed at helping us to accomplish our broader life goals. At least one goal in each category should relate specifically to our faith.

***bulletin insert “My Life and Financial Goals
Worksheet.”***

In your bulletin is an insert titled My Life and Financial Goals Worksheet. I invite you to take this home and use it as a tool to help you think about your life’s purpose and set goals to help you work toward that purpose.

III, The Discipline of Managing Your Money

A. The Necessity of a Budget/Spending Plan.

Once we have set some financial goals, we need to develop a plan to meet those goals. A budget is a

spending plan that enables us to accomplish our goals. Some people use an envelope system to help them manage their saving and spending and stay on budget. Others use a variety of different approaches. Many people find it helpful to seek the advice of a financial advisor. For those who find themselves in the midst of a financial crisis, a financial counselor can help to work out terms with creditors and develop a workable financial plan. Whatever approach you choose, the important thing is simply to have a plan.

Your money is entrusted to you. You're called to manage it well. And God will hold each of us accountable in the end for what we do with our time, our talents, and our resources. And so we begin to think, How can we help each other have good financial practices? I would like to show you a video by a credit union manager who shares some of the basic things she tells her customers about how to be good financial managers.

Show the video clip “Finding Financial Stability.”

We all probably know the things that we need to do. The hard part is doing them on a daily basis. To help encourage you to have healthy financial habits, I would like to share with you six financial planning principles.

B. Six Financial Planning Principles

The following financial planning principles can help us to manage our money with wisdom and faith:

1. Pay your tithe and offering *first*.

Put God first in your living and your giving. Give your tithe and offering from the “top” of your paycheck, and then live on whatever remains.

2. Create a budget and track your expenses.

Creating a budget is simply developing a plan in which you tell your money what you want it to do.

Tracking your expenses with a budget is like getting on the scales: It allows you to see how you are doing and motivates you to be more careful with your expenditures. In your bulletin is a Basic Budget

Worksheet to help you do this.

3. Simplify your lifestyle (live below your means).

Because this discipline is critical to the success of any financial plan, next Sunday's sermon will be devoted to this topic.

4. Establish an emergency fund.

An emergency fund is an account separate from checking or long-term savings that is set aside specifically for emergencies. Financial expert Dave Ramsey recommends beginning with \$1,000 and building that to three months' worth of income. He

says that when you have this amount, you won't need to use your credit cards anymore.

5. Pay off your credit cards, use cash/debit

cards for purchases, and use credit wisely.

As you are building your emergency fund, begin to pay off your credit card debt and start using cash or debit cards for purchases. Some experts suggest starting with the credit card that has the highest interest rate. Others suggest paying down the smallest debt first, experiencing that victory, and applying your payments from the first card to the

second, and so on, creating a snowball effect to pay off the cards as soon as possible. Cut up your cards as you pay them down so that you are not trapped or leveraged by your future for present-day pleasure, as the prodigal son was. If you must use a credit card, such as when traveling or making purchases online, be sure to pay off the debt monthly. If you are unable to do this, then it is better for you to cut up your cards and stop using them altogether.

6. Practice long-term savings and investing

habits.

Saving money is the number-one wise money management principle everyone should practice. We do not save merely for the sake of saving. There is a word for that: hoarding. Hoarding is frowned upon in the Bible as the practice of fools and those who fail to understand the purpose of life. Saving, on the other hand, is meant to be purposeful. There are three types of savings we should have: 1) emergency savings, 2) savings for wants and goals, and 3) retirement savings.

You will receive as a gift this morning, a transparent cling with these six key financial principles. Place them on a mirror or window in a prominent place where they can serve as reminders to help develop healthy financial habits.

In the story of the prodigal son, the son was welcomed home and given a new start in his father's house. Hopefully you have been given some tools this morning to help you make a new start in living toward the purpose for which God created you.

(Source: Enough)