HABITS FOR FINANCIAL HEALTH

1. Work DILIGENTLY.

Proverbs 10:4 *"A lazy person will end up poor. But a hard worker will become rich." (NCV)*

Proverbs 13:4 *"Lazy people want much but get little, but those who work hard will prosper." (NLT)*

2. Save PURPOSEFULLY.

Proverbs 21:20 *"The wise store up choice food and olive oil, but fools gulp theirs down." (NIV)*

(1) EMERGENCY Fund.

Proverbs 22:3 *"A prudent man foresees danger and takes precautions. The simpleton goes blindly on and suffers the consequences." (NLT)*

(2) EXPECTED expenses.

Proverbs 6:6-8 *"6 Go to the ant, you sluggard; consider its ways and be wise! 7 It has no commander, no overseer or ruler, 8 yet it stores its provisions in summer and gathers its food at harvest." (NIV)*

(3) REPLACEMENT purchases.

Proverbs 21:20 "The wise man saves for the future, but the foolish man spends whatever he gets." (LB)

(4) RETIREMENT.

Proverbs 13:11 *"Money that comes easily disappears quickly, but money that is gathered little by little will grow." (NCV)*

Compound Interest Example:

Year 1: $100 @ 10% = $ 10 of interest
Year 2: $110 @ 10% = $ 11 of interest.
The extra $ 1.00 is compound interest.

Compounding Comparison

- $1,000 one-time investment
- No withdrawal
- Age 25 to age 65 (40 years)
- Results: 6% = $10,285, 12% = $93,050, 18% = $750,378

Long-Term Example:

- A woman starts at age 19 and invests $2,000 at12% per year until she is 26 (7 years) = $ 2,288,996
- The man starts to invest $2,000 at 12% at age 27 and does so until he retires at age 65 (38 years) = $ 1,532,166.

Proverbs 15:22 *"Plans fail for lack of counsel, but with many advisers they succeed." (NIV)*

3. Spend WISELY.

Proverbs 24:3-4 *"3 A house is built by wisdom and becomes strong through good sense. 4 Through knowledge its rooms are filled with all sorts of precious riches and valuables." (NLT)*

(1) PRIORITIZE your needs and goals.

Proverbs 24:27 *"Do your planning and prepare your fields before building your house." (NLT)*

(2) PREPARE a workable plan.

Proverbs 21:5 *"Good planning and hard work lead to prosperity, but hasty shortcuts lead to poverty." (NLT)*

(3) SPEND within your means.

Proverbs 21:20 *"Wise people live in wealth and luxury, but stupid people spend their money as fast as they get it." (TEV)*

(4) KEEP good records.

Proverbs 27:23-24 "[23] *Be sure you know the condition of your flock, give careful attention to your herds,* [24] *for riches do not endure forever, and a crown is not secure for all generations." (NIV)*

4. Get out of debt QUICKLY.

Proverbs 22:7 *"Poor people are slaves to the rich. Borrow money and you are the lender's slave." (GNT)*

(1) NO more new debt!

(2) Pay the SAME amount every month until all of your unsecured debts are paid.

(3) Arrange your debts so that the one with the SHORTEST payoff time is at the top and the longest payoff at the bottom.

(4) As one debt is paid, take that total payment and ADD IT to the regular payment of the next debt in line.

5. Live CONTENTLY.

Proverbs 30:7-9 "[7] Two things I ask of you, Lord; do not refuse me before I die: [8] Keep falsehood and lies far from me; give me neither poverty nor riches, but give me only my daily bread. [9] Otherwise, I may have too much and disown you and say, 'Who is the Lord?' Or I may become poor and steal, and so dishonor the name of my God." (NIV)

6. Give GENEROUSLY.

Proverbs 3:9-10 "[9] Honor the Lord with your wealth and with the best part of everything you produce. [10] Then He will fill your barns with grain, and your vats will overflow with good wine." (NLT)

a. It HONORS God, especially when we give to the poor.

Proverbs 22:9 "Generous people will be blessed because they share food with the poor." (NCV)

b. It shows we TRUST God.

Proverbs 11:28 "Trust in your money and down you go! But the godly flourish like leaves in spring." (NLT)

c. It ADVANCES God's mission.

Proverbs 10:16 "The good man's earnings advance the cause of righteousness. The evil man squanders his on sin." (LB)

RESOURCES

- Crown Financial Ministries (www.crown.org)
- Dave Ramsey (www.ramseysolutions.com)
- Mary Hunt (www.debtproofliving.com)
- Mary Hunt (www.everydaycheapskate.com)

BOTTOM LINE: Healthy Finances = GENEROUS Living

Proverbs 21:26 "Some people are always greedy for more, but the godly **love** to give!" (NLT)