

Appendix D

Session 4 Resources

4 Steps for Saving \$1,000

Learn how to start an emergency savings account and how to save money responsibly.

by Chuck Bentley

Recent surveys indicate that almost two-thirds of all Americans are living paycheck to paycheck.

Far too often, the only safety net for these individuals is one of several bad options: increasing the remaining balance on their credit cards, turning to predatory lenders like payday loans or borrowing from retirement accounts, which runs the risk of severe penalties.

There is a better way.

Creating an Emergency Savings Account

If you have ever felt as if you were going to have more month than money, or you have resorted to any of the options listed above, it is time to start an emergency savings account (ESA).

That begins with the goal of saving \$1,000. Yes, this small step for mankind can feel like a giant leap for man, but it is the wisest step you can take toward liberation from financial stress, worry, and living on the edge of disaster.

In earlier articles, we covered learning to live on a budget and sticking to your plan, plus the importance of beginning to give generously. Now it's time to practice the discipline of spending less than we earn and acting wise like the ant God refers to in Proverbs 6:6.

1. Establish a place to put your \$1,000.

The location is important since it needs to be kept where you are not going to be tempted to spend it. Out-of-sight, out-of-mind is a great way to think about this nest egg.

If you have a checking account at your bank or credit union, ask if you can open a separate account where money can be automatically transferred into this account. If not, use a shoebox, a thick envelope or even a small fireproof safe that you keep at home.

The most important aspect of the location is that you can get to it easily, but it is not accessible for quick spending like the funds in your checking account.

2. Look for ways to make an initial deposit into this ESA.

Take a serious inventory of where you may have access to funds for your first deposit, no matter how small.

Can you sell something online or have a garage sale? Can you give up a habit for a month to save on your spending?

Look under the cushions of your sofa, in your junk drawers or in a piggy bank to find the first \$100 to get you started.

3. Make automatic deposits from your paycheck or other income sources.

Establish an amount that will go into your ESA, every time you receive any funds, even if it is just five dollars. The important part of this step is the discipline to take a portion of all of your income to start growing the account.

One of Crown's great testimonies came from a 72-year-old widow who started saving \$50 a month and eventually saved not only her first \$1,000, but paid off \$50,000 in consumer debt, too!

Faithfulness in the small things is always the key.

4. Seek to increase your income as needed to accomplish this goal.

It is so vital that you have an ESA that I recommend working extra hours, taking on a part-time job and using all available means to reach this goal as quickly as possible.

Put all surplus funds, even birthday gifts or tax refunds, into the account until you have reached this goal.

How to Use Your \$1,000

There is a wonderful old black and white movie called *I Remember Mama* based upon the book, *Mama's Bank Account*. It is the story of a close knit, loving family struggling through the Great Depression with very little income. The central character of the movie is the dear mother who says she has a bank account that she can always access in the event of an emergency.

This gives the family hope that they have resources to fall back on in a crisis, but she says they must never use it frivolously. Time and time again in the story, they must figure out a way to live within their means to avoid going into Mama's bank account.

It was only after the crisis of the Great Depression had passed that they learned that no such account existed.

Their Mama had only pretended to have this money to calm the fears of her children—and it worked.

The story illustrates a great point. Once you have reached your goal of having \$1,000 in your ESA, you should make it a very rare occasion when you spend any money from this account.

In fact, the next goal is to grow and increase the amount in your account to ensure you will always be able to avoid turning to your credit cards for emergency expenses.

Start Small and Don't Quit

Proverbs 21:5 says, “The plans of the diligent certainly lead to profit, but everyone who is reckless certainly becomes poor.”

The opposite of wisdom is to always be “reckless” or spontaneous. The wisdom of God is to have a plan and be diligent over a long period of time to live by that plan. This is an attitude of our heart that God can give us.

Ask Him to help you be diligent. Ask Him to help you reach your savings goal. Ask Him to make you like the ant.

He will be faithful to help you.

Article courtesy of *HomeLife* magazine. (lifeway.com/Article/four-step-approach-for-saving-one-thousand-dollars)

Four Priorities in Giving and Spending

From *Contagious Generosity: Creating a Culture of Giving in Your Church—Leadership Network*/Willard & Sheppard

1. By celebrating the cause of Christ, we place our priorities with his kingdom rather than with our personal gain.
2. By celebrating integrity in finances, we keep ourselves from abusing resources.
3. By celebrating generosity, the church comes together to see what giving does for the kingdom, enjoying the privilege of obedience together.
4. Finally, by celebrating frugality, we set aside as many resources as we can for God's work, storing up our treasure in God's work rather than in personal gain.

Online Resources for Personal Finance Improvement

seedtime.com

Sample of topics covered:

- How to Send Money Anonymously (5 Easy Ways)
- 10 Free Household Budget Spreadsheets
- How to save \$1000 (in 1-3 months)
- How To Find Unclaimed Money

moneywise.com

MoneyWise is here to help you make sense of personal finance. Sample of topics covered:

- Shop mortgage rates, loans, insurance quotes and investing products in your area.
- Compare lenders and use our helpful calculators to see how much you can afford.
- Receive guidance and timely news updates from our team of personal finance experts.

PLUS: the MoneyWise app for personal budgeting

generousgiving.org

Explore a life with Jesus-like generosity. Culture has taught us that money can buy joy and that giving is a mere obligation for being considered a good person. In our haphazard pursuit of having more, we've lost touch with what it means to have a generous life.

We host conversations about God and money in an environment that never asks you for donations or anything in return.

Great video stories on this site—to inspire all to generosity. A couple of favorites:

- Graham and April Young / New York City
- Alan Barnhart / Memphis

gospelpatrons.org

Our mission is to inspire and empower a generation of Gospel Patrons who will build the church, bless the world, and finish the Great Commission.

Stories of people funding major projects for the Kingdom—Like the YouVersion Bible app

PLUS: the powerful teaching of founder John Rinehart.