

## Week 10

### **XXXVII. Review**

- A. Homework
- B. Budget Principles
  - 1. Budget...just the spending plan for your household
  - 2. Know where you are starting from and where you are going
  - 3. Adjust your spending to meet your income
  - 4. Plan for the (Un)Expected
  - 5. Pay Yourself not somebody else – Debt and Taxes
  - 6. Increase Your spendable income
  - 7. Care for yourself and your extended family
  - 8. Invest!
    - a. We invest when we give to God’s work
    - b. We invest as we seek a return on money or possession set aside to prepare for future events
    - c. We are to be wise in our investing
      - i. Seek wise counsel
      - ii. Don’t invest in things you don’t understand
  - 9. Don’t invest more than you can afford to lose in non-guaranteed good or bad – Hebrews 13:5
  - 10. Money is an excellent indicator of our heart...both good and bad – Mt 6:21
  - 11. The believer is to be self-controlled – Titus 2:12
  - 12. Work is a Blessing – Ecclesiastes 5:18-20

### **XXXVIII. Biblical Principle – Be Content (How Much Is Enough?)**

- A. As believers, we are to Be Content
  - 1. We are going to dwell for a bit on biblical contentment or satisfaction
  - 2. The world implies that by being content that we are under achievers
    - a. David Rockefeller “If necessity is the mother of invention, discontent is the father of progress.”
    - b. The Fisherman Story

3. The world tells us that we should never be satisfied; that we can never have too much
    - a. Just look at the advertisements around you
    - b. A reporter asked John D. Rockefeller (Standard Oil), “How many millions does it take to satisfy a man?” His answer: “The next million.”
    - c. Someone asked Andrew Carnegie (steel), “How much is enough?”, Carnegie replied, “Just a little more.”
  4. Even those who acknowledge that contentment may exist, lead us to believe that it is next to impossible to achieve
    - a. Marie Von Ebner-Eschenback (writer) “To be satisfied with little is hard, to be satisfied with a lot is impossible”
  5. Solomon even had this observation

Ecclesiastes 4:4-8 *“I have seen that every labor and every skill which is done is the result of rivalry between a man and his neighbor. This too is vanity and striving after wind. The fool folds his hands and consumes his own flesh. One hand full of rest is better than two fists full of labor and striving after wind. Then I looked again at vanity under the sun. There was a certain man without a dependent, having neither a son nor a brother, yet there was no end to all his labor. Indeed, his eyes were not satisfied with riches and he never asked, “And for whom am I laboring and depriving myself of pleasure?” This too is vanity and it is a grievous task.”*
  6. So where does this leave us as believers?
- B. First let’s define biblical contentment...What is it?
1. Webster’s
    - a. comes from the root to hold in or contain
    - b. To appease the desires of
    - c. To limit oneself in requirements, desires or actions
    - d. freedom from care or discomfort
  2. Note that Webster has the thought of limitation, comfort and satisfaction of desires
  3. In the bible the Greek word is Arkeo (αρκεο)
    - a. v. signifies to be sufficient, to be enough for a thing
    - b. n. satisfaction with what one has

4. Note that the biblical definition has the thought of sufficiency
    - a. It is more than the thought of just getting by
    - b. It is the understanding/realization that this is all we need
    - c. The understanding that God has provided exactly what he wants us to have at any given moment.
- C. Why can we be satisfied or content?
1. <sup>Proverbs 19:23</sup> *“The fear of the LORD leads to life, So that one may sleep satisfied, untouched by evil.”*
    - a. In the NIV satisfied is translated content
    - b. We understand that God is sovereign and provides us even with life
    - c. We can rest because we can acknowledge He is in control
    - d. As Dale said in his sermon series, Worship: Living The Abundant Christian Life, “our abundance, satisfaction and contentment are found in the life of Christ not in our job, wealth, family”
  2. <sup>Hebrews 13:5-6</sup> *Make sure that your character is free from the love of money, being content with what you have; for He Himself has said, “I WILL NEVER DESERT YOU, NOR WILL I EVER FORSAKE YOU,” so that we confidently say, “THE LORD IS MY HELPER, I WILL NOT BE AFRAID. WHAT WILL MAN DO TO ME?”*
    - a. Again we can be content because we belong to God
    - b. As believers He will not forsake us
    - c. We need not be afraid because God is our helper
    - d. Discontent at best indicates a belief that what God has provided is sufficient, at worst we imply that He has abandoned us
  3. <sup>Philippians 4:11-13</sup> *“Not that I speak from want, for I have learned to be content in whatever circumstances I am. I know how to get along with humble means, and I also know how to live in prosperity; in any and every circumstance I have learned the secret of being filled and going hungry, both of having abundance and suffering need. I can do all things through Him who strengthens me.”*
    - a. Note that Paul learned to be content
    - b. This comes with a growing understanding of who God is:

- i. The provider of whatever circumstance we are in monetarily and physically
  - ii. The provider of the strength...for everything
  - c. Once again this is a spiritual issue...yielding to the work of the Spirit in our lives will allow us contentment
4. <sup>1 Timothy 6:6-7</sup> *“But godliness actually is a means of great gain when accompanied by contentment. For we have brought nothing into the world, so we cannot take anything out of it either.”*
- <sup>Job 1:21</sup> *“Naked I came from my mother's womb, and naked I will depart. The LORD gave and the LORD has taken away; may the name of the LORD be praised.”*
- a. We can't take it with us
  - b. Whatever we have is God's
  - c. We can be content because what we have is what God has provided
  - d. Money or possession is not how we obtain the satisfaction that God desires for us
- D. With what are we to be content? or How much is enough?
- <sup>1 Timothy 6:8</sup> *“If we have food and covering, with these we shall be content.”*
1. If we have Food we are to be content
    - a. If we are not starving then we have the ability to be content
    - b. In the US at the moment this is a pretty easy standard for us to meet
  2. What about contentment in regard to Physical comfort?
    - a. If we are not dying from exposure we have the ability to be content
    - b. Biblically contentment does not require physical comfort
    - c. Note Paul's situations mentioned in Philippians 4:10-13 regarding his physical comfort or lack of it
  3. By the definition Paul gives to Timothy, all here in this room should be able to be completely content in regard to our financial position and physical circumstance
  4. Whatever situation God has put us in is exactly the right one for the time
- E. Why aren't we content?
1. We don't agree that God has given us all that is required
  2. We demonstrate discontentment by:

- a. Complaining
- b. Hoarding
- c. Living beyond our means
- d. Pursuing dollars before pursuing Spiritual things
- e. Storing up treasure on earth

Matthew 6:19 “Do not store up for yourselves treasures on earth, where moth and rust destroy, and where thieves break in and steal.”

F. We demonstrate contentment by:

1. Not complaining - rejoicing
2. Being generous
3. Living within our means
4. Living in a way that is not extravagant or flashy
5. Living in a way that demonstrates that we are looking for delayed gratification
6. Living in a way that acknowledges that God is sovereign
7. Living in a way that acknowledges that God takes care of us
8. Understanding that the full measure of contentment, satisfaction and abundance in life are only found in the life of Christ.

**XXXIX. Budgeting Principle – Plan for your protection (Insurance)**

A. What is Insurance anyway? Definition:

1. The New Oxford American Dictionary
  - a. a practice or arrangement by which a company or government agency provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a premium
  - b. a thing providing protection against a possible eventuality
2. Wikipedia
  - a. a form of risk management primarily used to hedge against the risk of a contingent, uncertain loss
  - b. the equitable transfer of the risk of a loss, from one entity to another, in exchange for payment
3. Insurance is an just an opportunity to pass some of our risk of whatever event to another organization by paying them to take that risk

B. Why should we consider insurance?

1. I think so far we have seen that scripturally a case can be made that planning and saving were a means for a person of that day to provide for their own protection...basically to be self-insured
2. I believe we should do the same today...remember our emergency funds and 3 to 6 months of living expenses
3. However today we also have the opportunity to use our resources to offset risks by going to the insurance company and paying them to assume some risk for us
4. Insurance is a potential way to multiply the power of your money
5. By paying a relatively small amount of money you can hedge against potential financially catastrophic events
6. Ultimately this is going to be an area where, as always, we need to exercise wisdom

C. What types of insurance should we consider?

1. Exactly what we insure and for how much should be a matter of consideration and purpose
2. In the US you can buy insurance to cover almost anything...your car, boat, RV, house, identity, life, health, disability, mortgage payment, long term care, appliances, electronics, trips, weddings, personal stuff, on and on
3. Some is required by the government or potentially the entity holding the loan on your stuff
  - a. In California you are required to carry a level of auto insurance
  - b. You may be required purchase certain insurances as a result of your job...social security, MediCare
  - c. For the moment you are required to carry medical insurance
  - d. Your auto lien holder may require additional insurance to protect their interests
  - e. The mortgage company requires that you carry insurance to cover their potential losses
  - f. As required by law or contract we are obligated to carry these
4. We get the most multiplication of the power of our money by insuring for those things that are unlikely but whose consequences could be financially catastrophic
5. Here are a few to consider

- a. Home
  - i. Probably one of the largest purchases most of us will make
  - ii. Covers your home and other people
  - iii. Fire, Flood?, Earthquake?
  - iv. Liability, Medical, Farm – Covers others
  - v. Renters (if you rent or if you have renters)
  - vi. Consider deductibles and coverages required...replacement costs, code upgrades, how much per square foot, how long will you be displaced, etc.
- b. Auto
  - i. Covers your automobile and other people
  - ii. This is probably one of the areas where we are most exposed to overall risk
  - iii. Liability, Medical – Covers others
  - iv. Comprehensive?, Collision?, Uninsured motorist
  - v. Again consider deductibles and coverages, minimum coverages are cheap but may not go very far to cover the incident
- c. Umbrella?
  - i. Larger coverage for your Autos, Homes, etc
  - ii. Protection of your potential future earnings
- d. Life
  - i. Provide income in the case of your untimely demise
  - ii. Provide enough to cover some percentage of salary replacement
  - iii. Coverage for some percentage of care replacement
  - iv. Term or Cash Value
- e. Medical
  - i. Offset the cost of your health care
  - ii. Health, Dental, Vision
- f. Long Term Care?
- g. Limited Liability Corporations/Partnerships
  - i. Not specifically an insurance policy but transfers the risk to another entity
  - ii. Limits liability to the assets of the corporation or partnership

iii. Business

6. I am of the opinion that you should self-insure for the little stuff
    - a. Extended warranties
    - b. Your electronics
    - c. Vacations
- D. How do we approach purchasing insurance?
1. By doing our homework
    - a. Ask Questions
    - b. Read up
    - c. Find a trustworthy professional insurance salesman
    - d. Talk with your financial planner
  2. Work to get the best return
    - a. Shop around
    - b. For policies with deductibles, take out the largest deductible you can afford but then save so you have the deductible available when needed
    - c. Combine your policies with one company
    - d. Sometime there are benefits for being with the same company for longer durations
    - e. Don't be reckless...premiums go up based on your performance
    - f. Don't use the policy to cover every little thing...premiums do go up
    - g. Don't double cover usually only one will pay
  3. Consider where you are in life
    - a. What can you afford?
      - i. Don't want to break the bank insuring ourselves
      - ii. At some level we need to trust that God is in control
      - iii. Also need to remember the contentment thing
    - b. Driving a \$1000 car?...probably don't need comprehensive or collision
    - c. Single and no kids?...Maybe you don't need a life insurance policy
    - d. Stay at home Mom with young kids?...Maybe you need life insurance
    - e. Got the potential to earn a million dollars or have it in the bank...maybe you want to up your liability coverage

4. Consider the real value of what you might be trying to replace
  - a. What coverages do you really need?
  - b. How much do you really need to replace

E. Summary

1. We do need to submit to the sovereignty of God but we also need to exercise wisdom in our lives
2. Used wisely insurance can help you multiply the power of your money and provide some protection for large financially catastrophic events
3. It provides an opportunity to plan and provide care for our families in the event of disaster

**XL. The Homework**

A. Memory Verses

1. <sup>1 Timothy 6:8</sup> *“If we have food and covering, with these we shall be content.”*
2. <sup>Acts 20:35b</sup> *“..He Himself said, ‘It is more blessed to give than to receive.’”*
3. <sup>1 Timothy 5:8</sup> *“But if anyone does not provide for his own, and especially for those of his household, he has denied the faith and is worse than an unbeliever.”*
4. <sup>Colossians 3:23</sup> *“Whatever you do, do your work heartily, as for the Lord rather than for men”*
5. <sup>Psalms 37:21</sup> *“The wicked borrows and does not pay back, But the righteous is gracious and gives.”*
6. <sup>Proverbs 21:20</sup> *“There is precious treasure and oil in the dwelling of the wise, But a foolish man swallows it up.”*
7. <sup>Titus 2:12</sup> *“...instructing us to deny ungodliness and worldly desires and to live sensibly, righteously and godly in the present age,”*
8. <sup>Matthew 6:21</sup> *“for where your treasure is, there your heart will be also.”*
9. <sup>Hebrews 13:5</sup> *“Make sure that your character is free from the love of money, being content with what you have; for He Himself has said, ‘I WILL NEVER DESERT YOU, NOR WILL I EVER FORSAKE YOU,’”*
10. <sup>Psalms 24:1</sup> *“The earth is the LORD’S, and all it contains, The world, and those who dwell in it.”*

## References

1. Unless otherwise indicated all scripture quotations are from the New American Standard Bible (NASB), 1995
2. **John Temple**, *Family Money Matters: How to run your family finances to God's Glory* (Leominster, UK: Day One, 2010)
3. **Larry Burkett**, *Investing For The Future* (Colorado Springs, CO: ChariotVictor, 1997)
4. **Eric Tyson**, *Personal Finance for Dummies, 2<sup>nd</sup> Edition* (Foster City, CA; IDG, 1996)
5. **Barbara O'Neill**, *Saving on a Shoestring: How to cut expenses, reduce debt, and stash more cash* (New York, NY: MJF, 2003)
6. **Richard Eisenberg**, *The Money Book of Personal Finance* (New York, NY: Warner, 1998)